

What Are We Missing?



Raph Koster
President, Areae, Inc.

Who am I?

- I'm a game designer, not a businessperson
 - Despite my current title and job
 - *Ultima Online, Star Wars Galaxies, A Theory of Fun for Game Design*, CCO at SOE...
- Running a VC-backed startup to reinvent MMOs
 - Which I will talk about a bit at the end





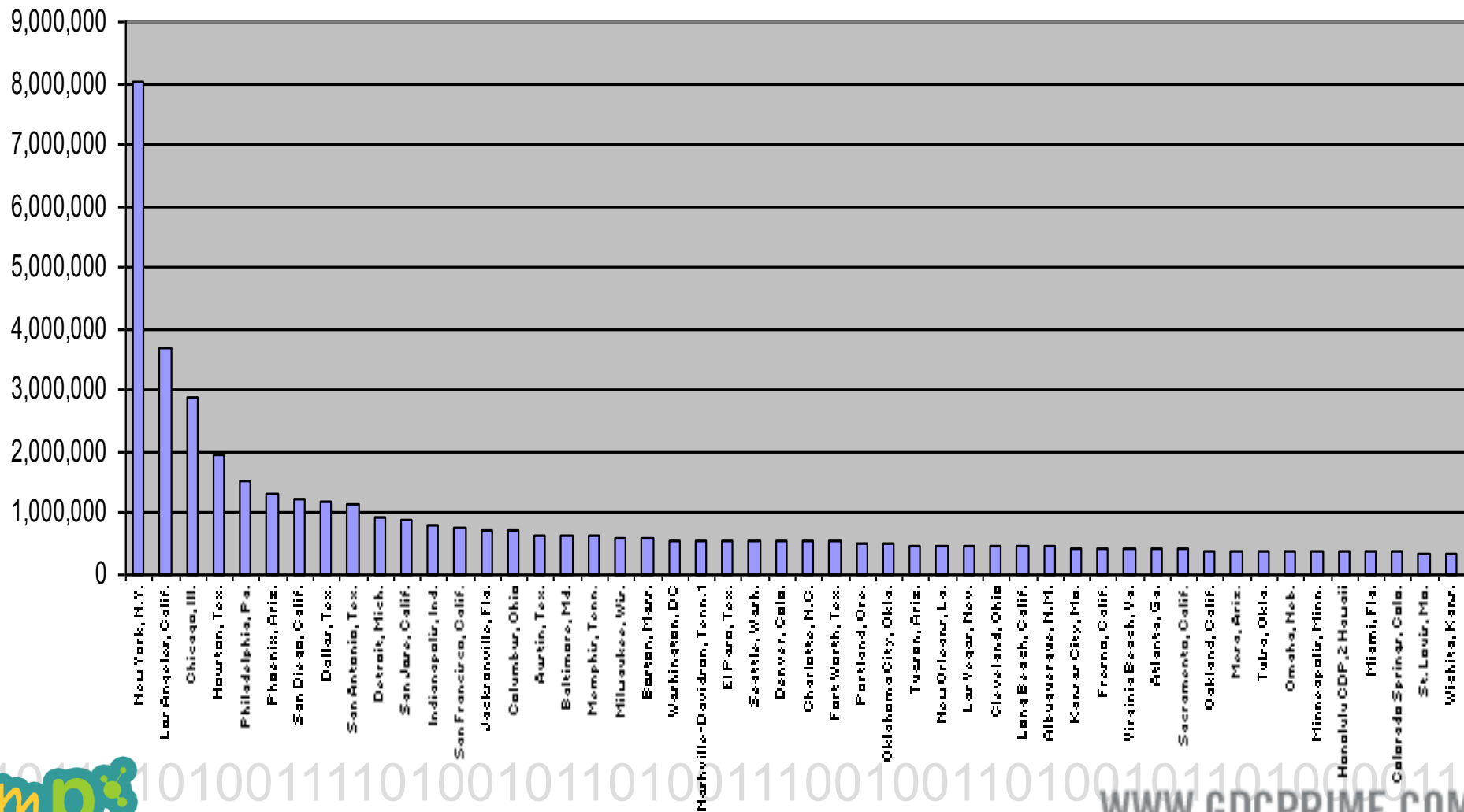
Some starting premises

The shape of markets

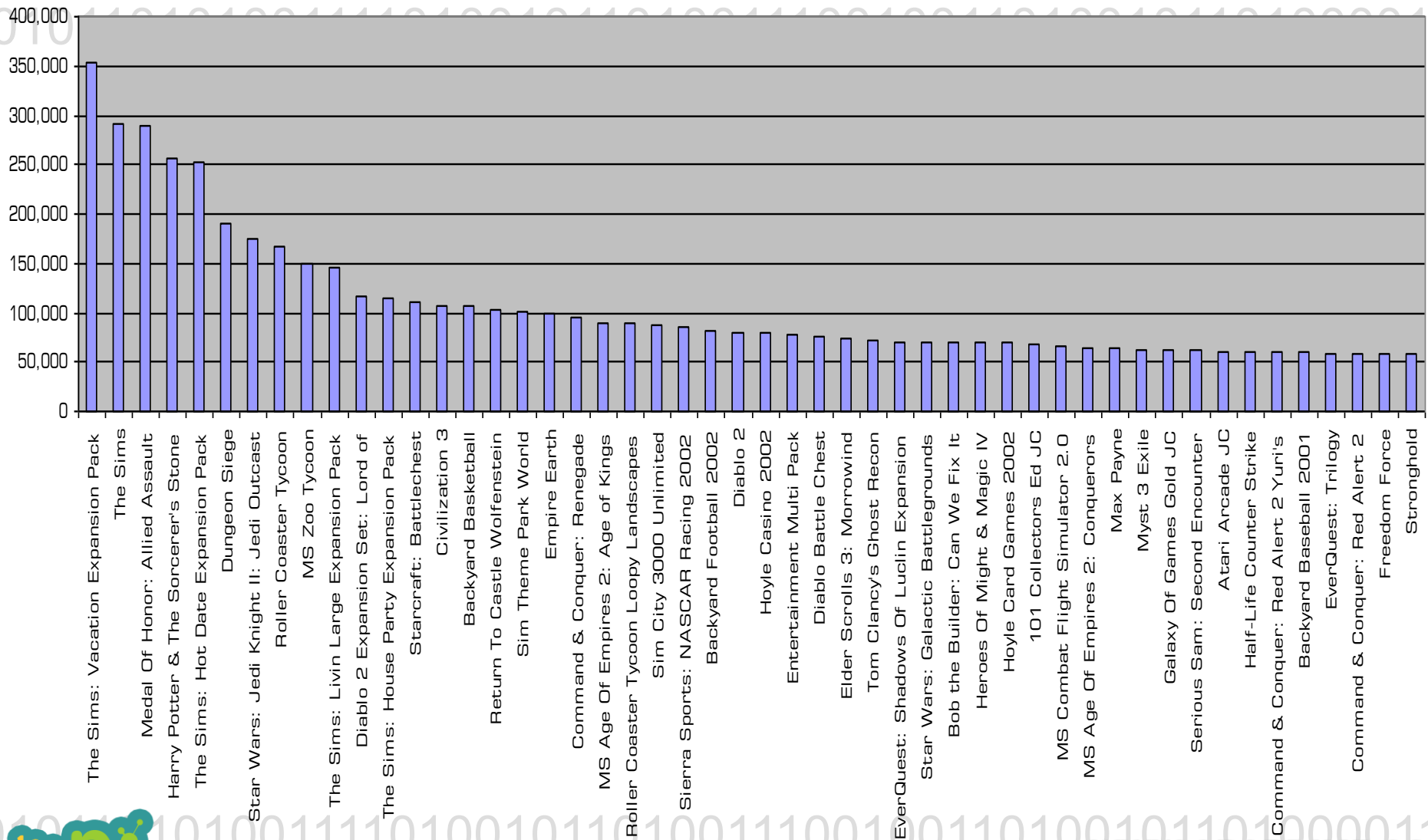
- A bunch of buzzwords:
 - Scale-free networks
 - Power laws
 - Long tails
- A bunch of assumed concepts:
 - Branding
 - Lovemarks
 - Service



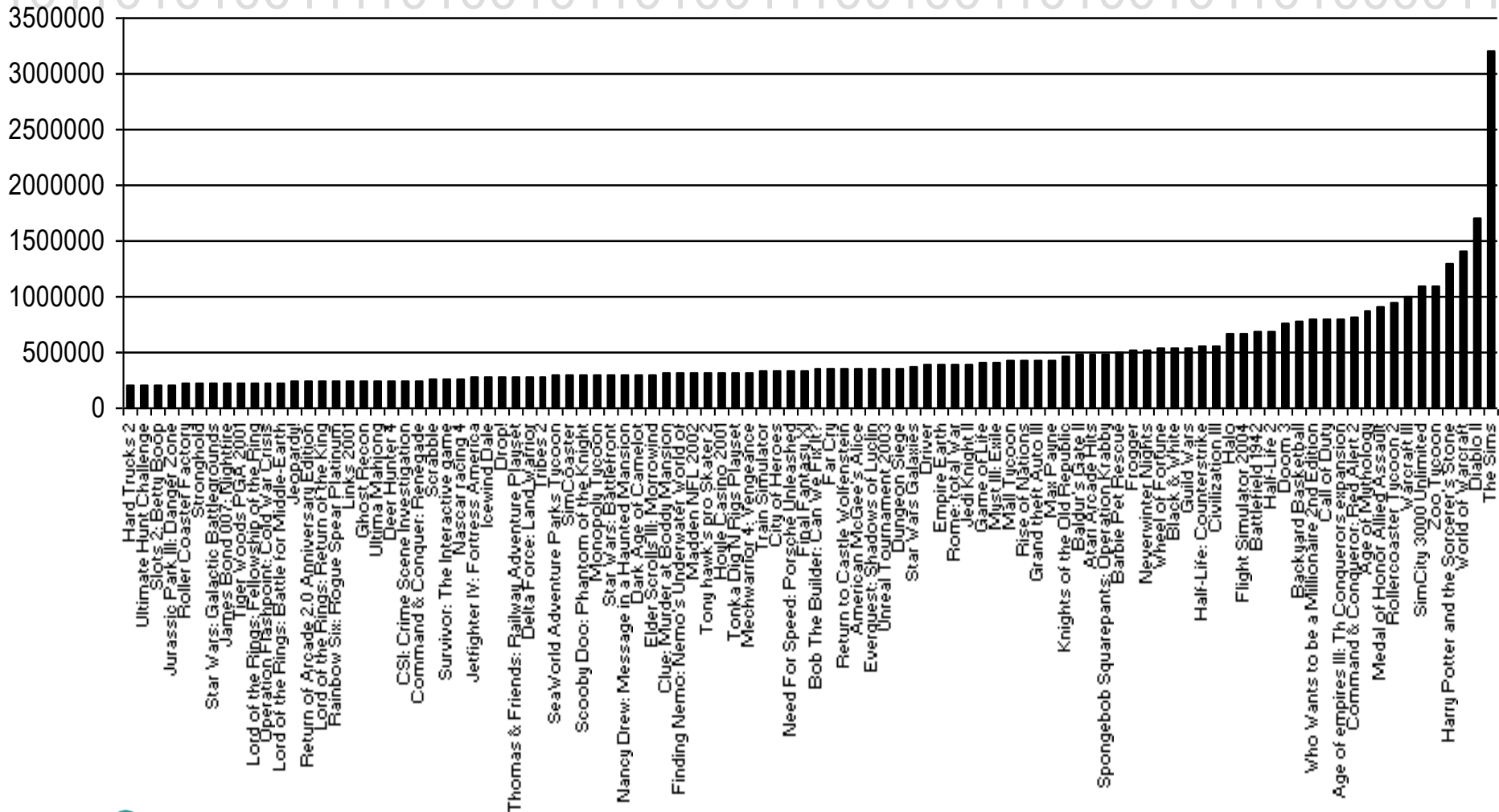
City sizes

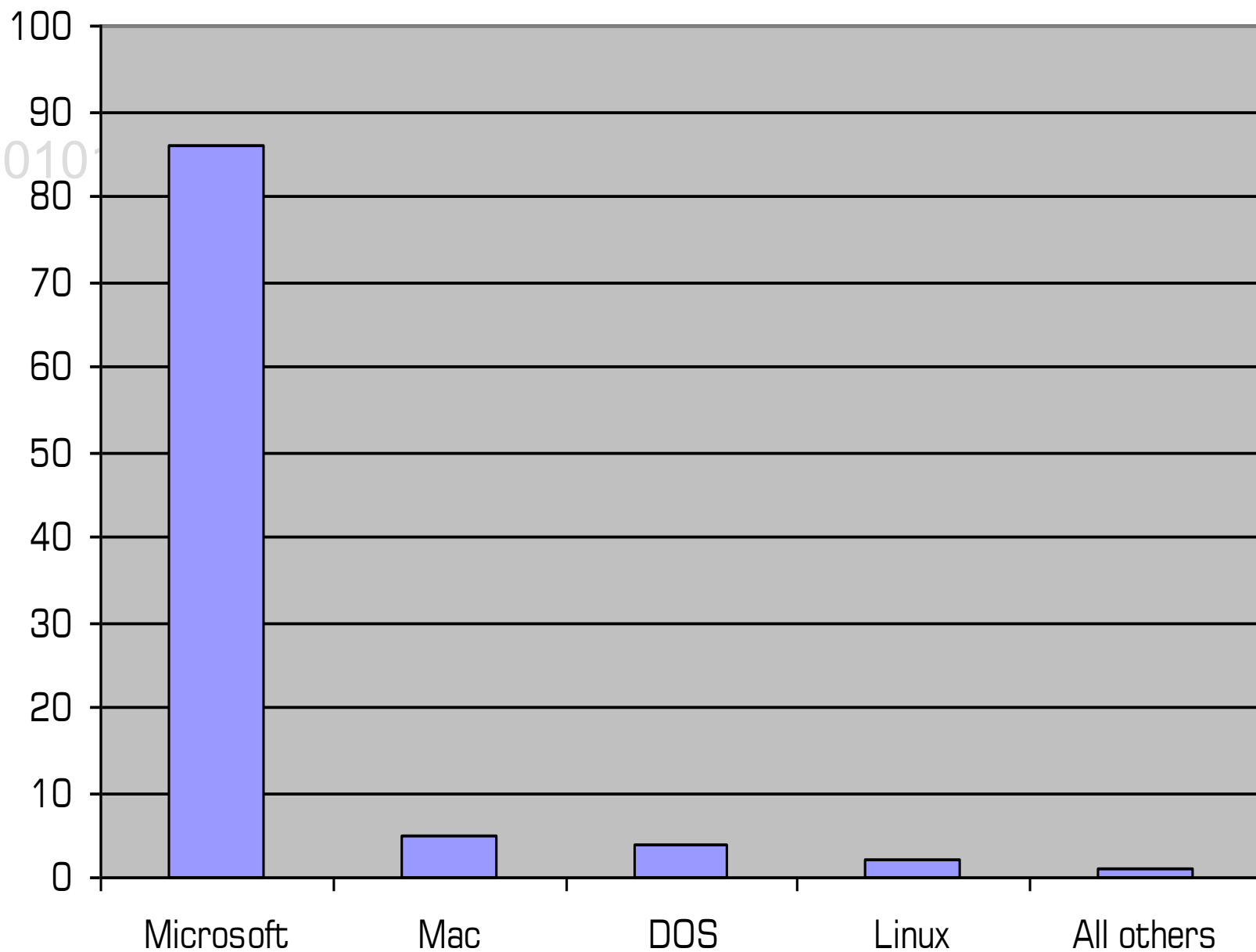


NPD, 2003

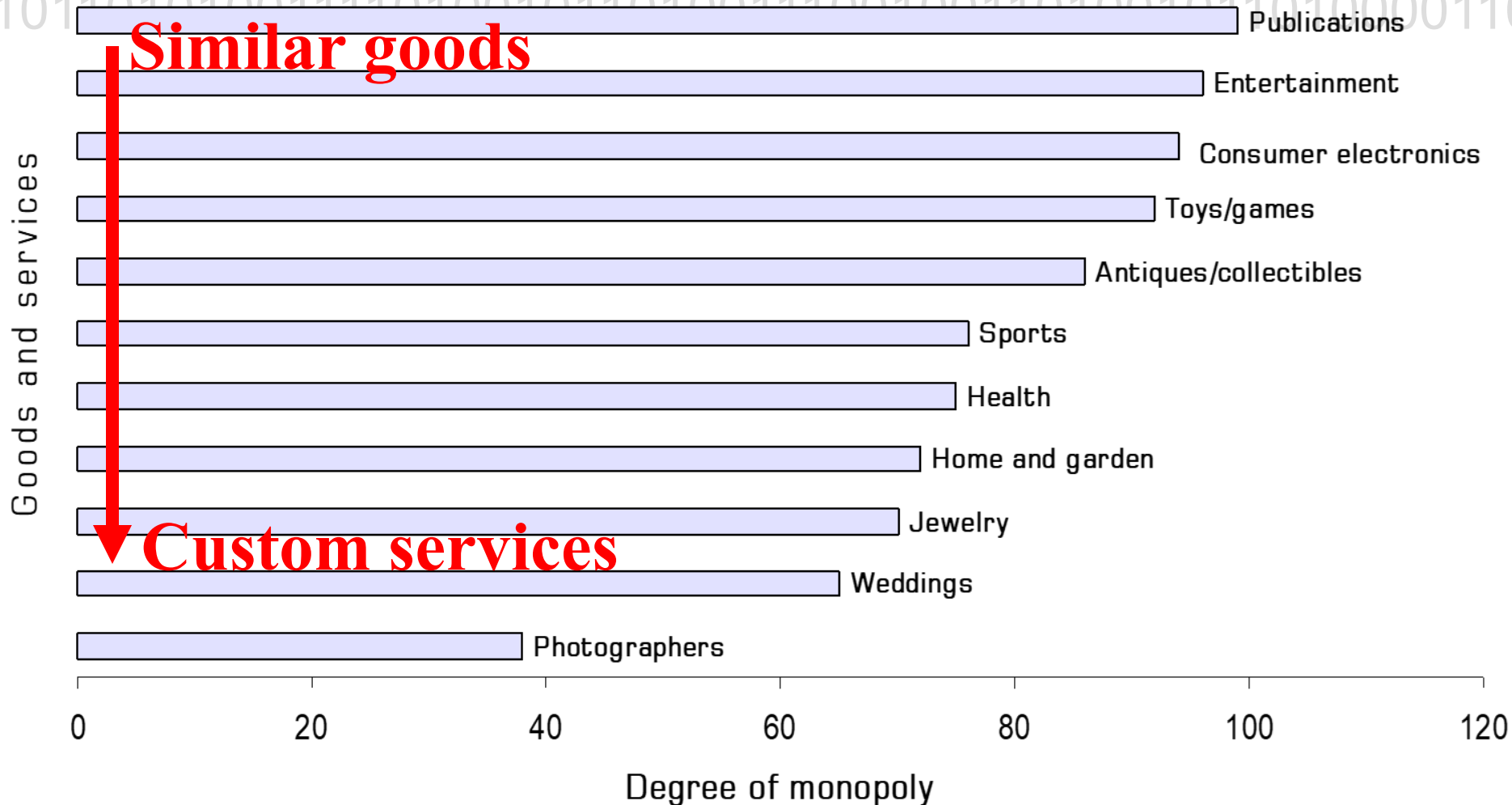


NPD, 2006

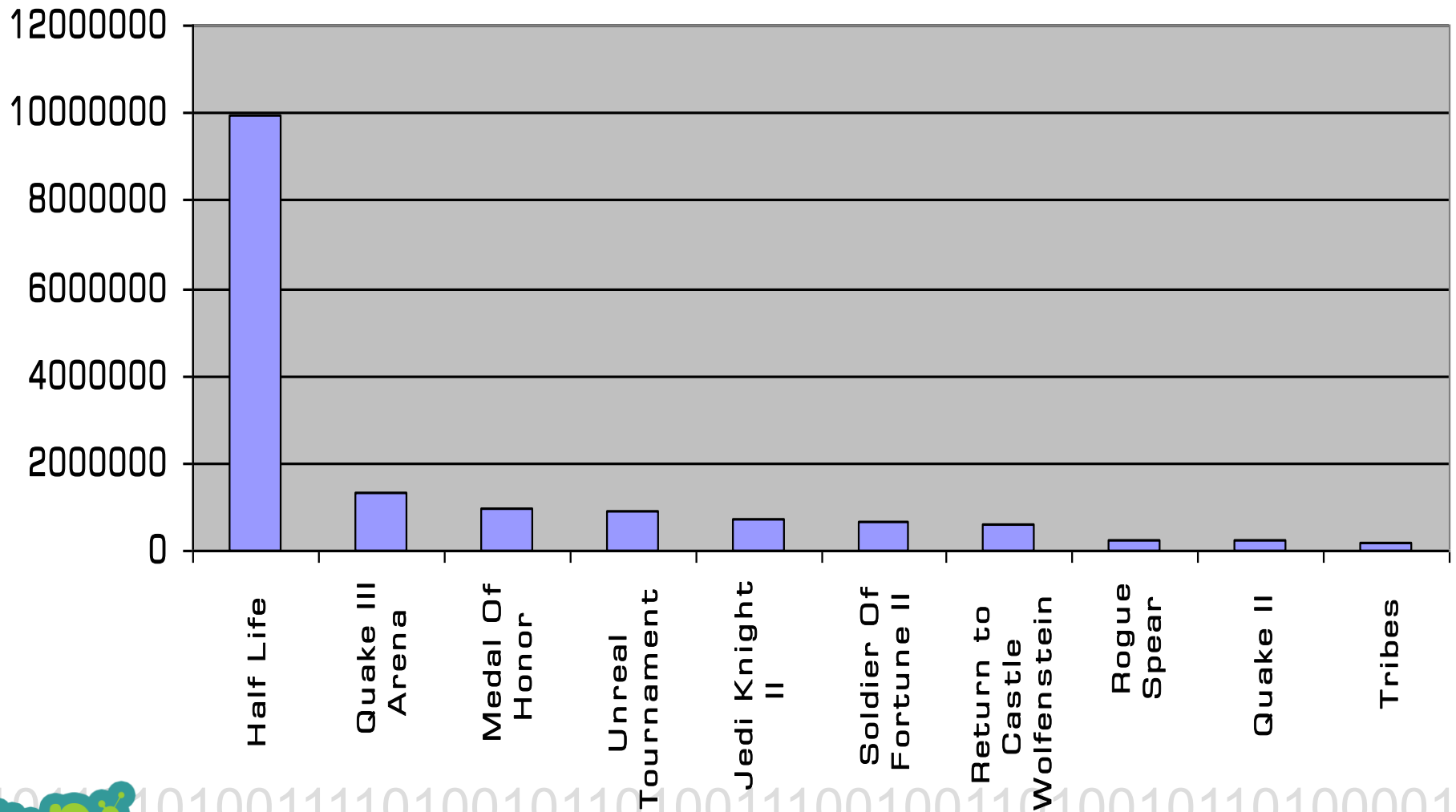




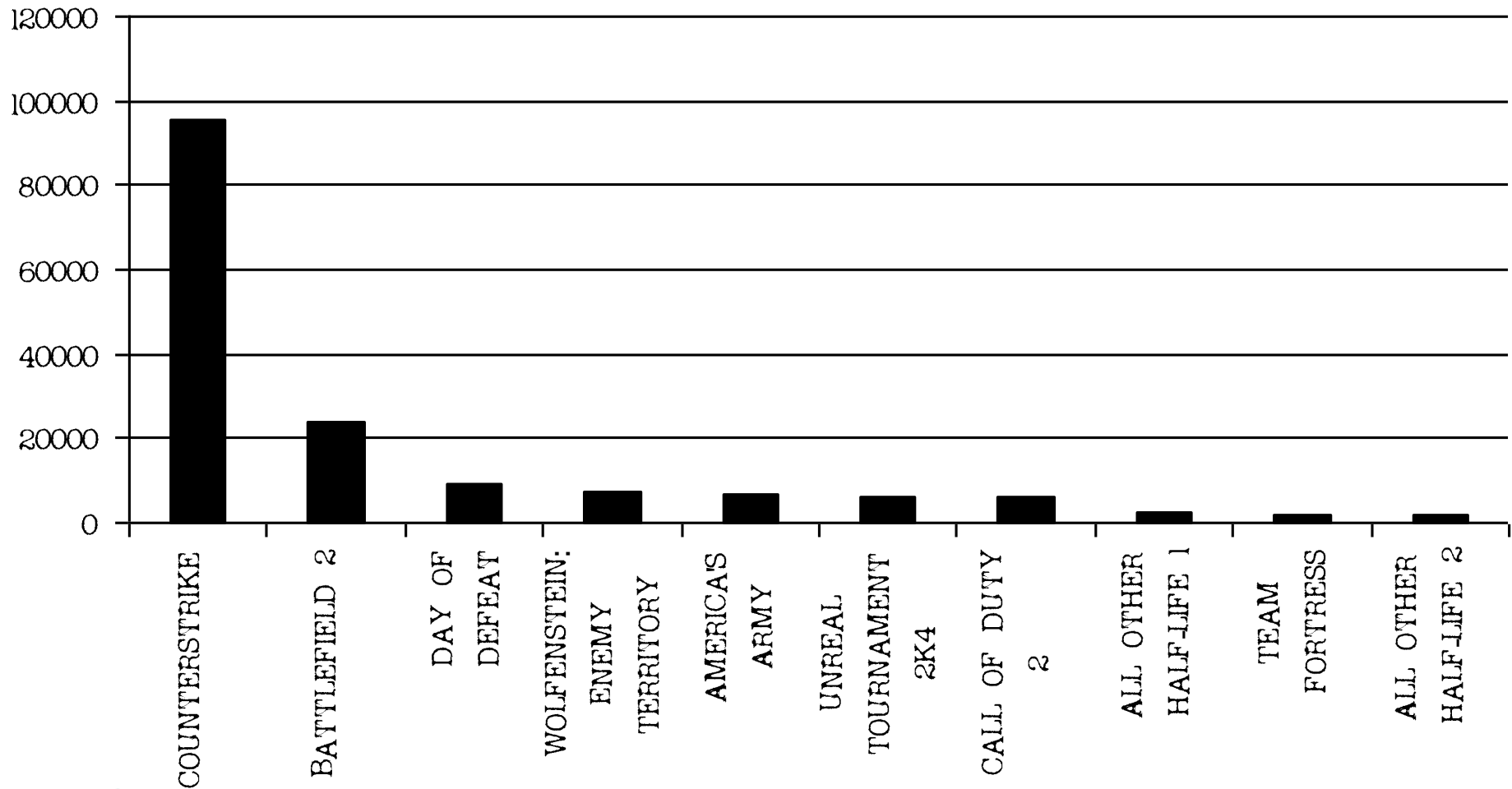
Drivers of monopoly

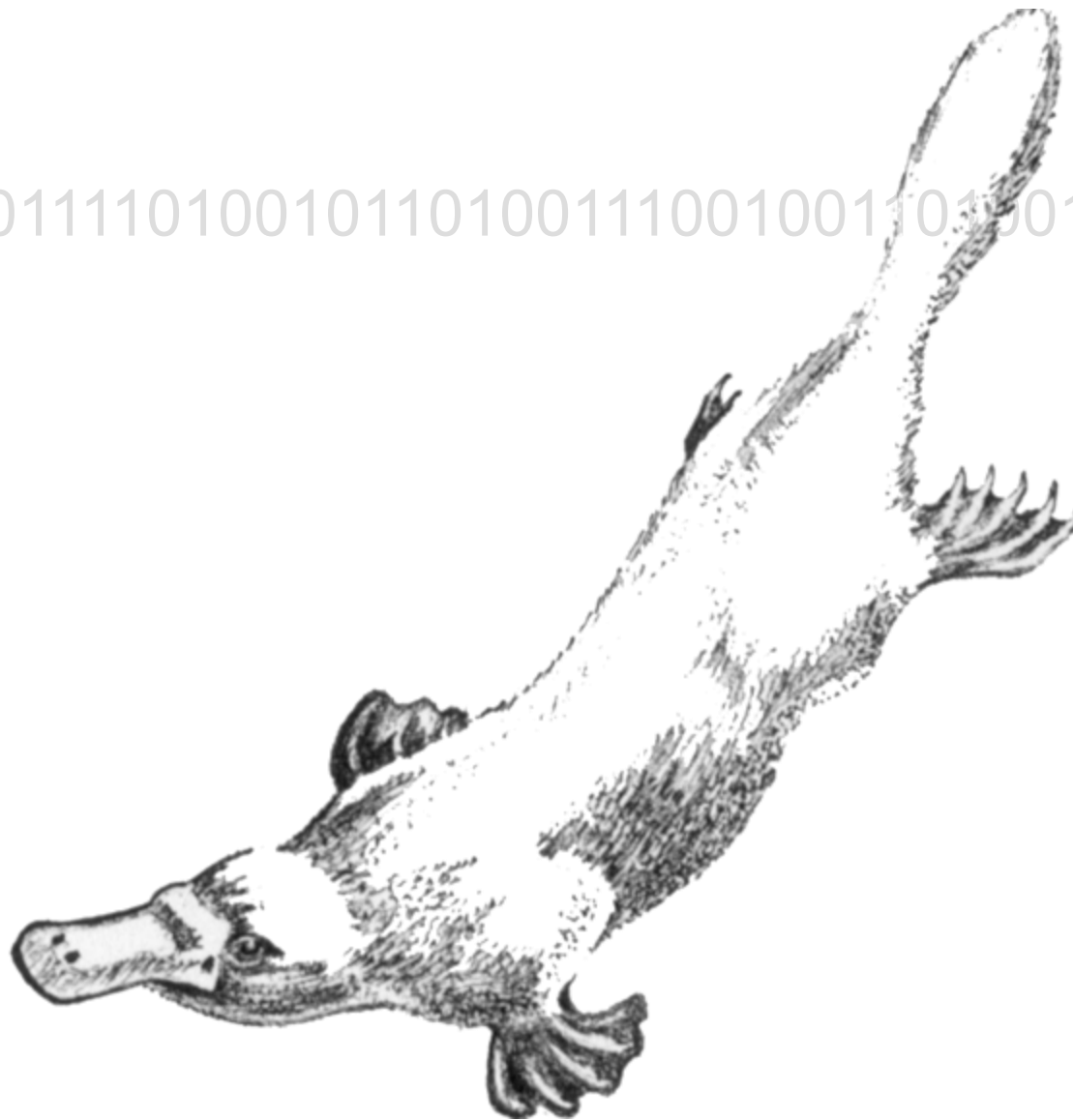


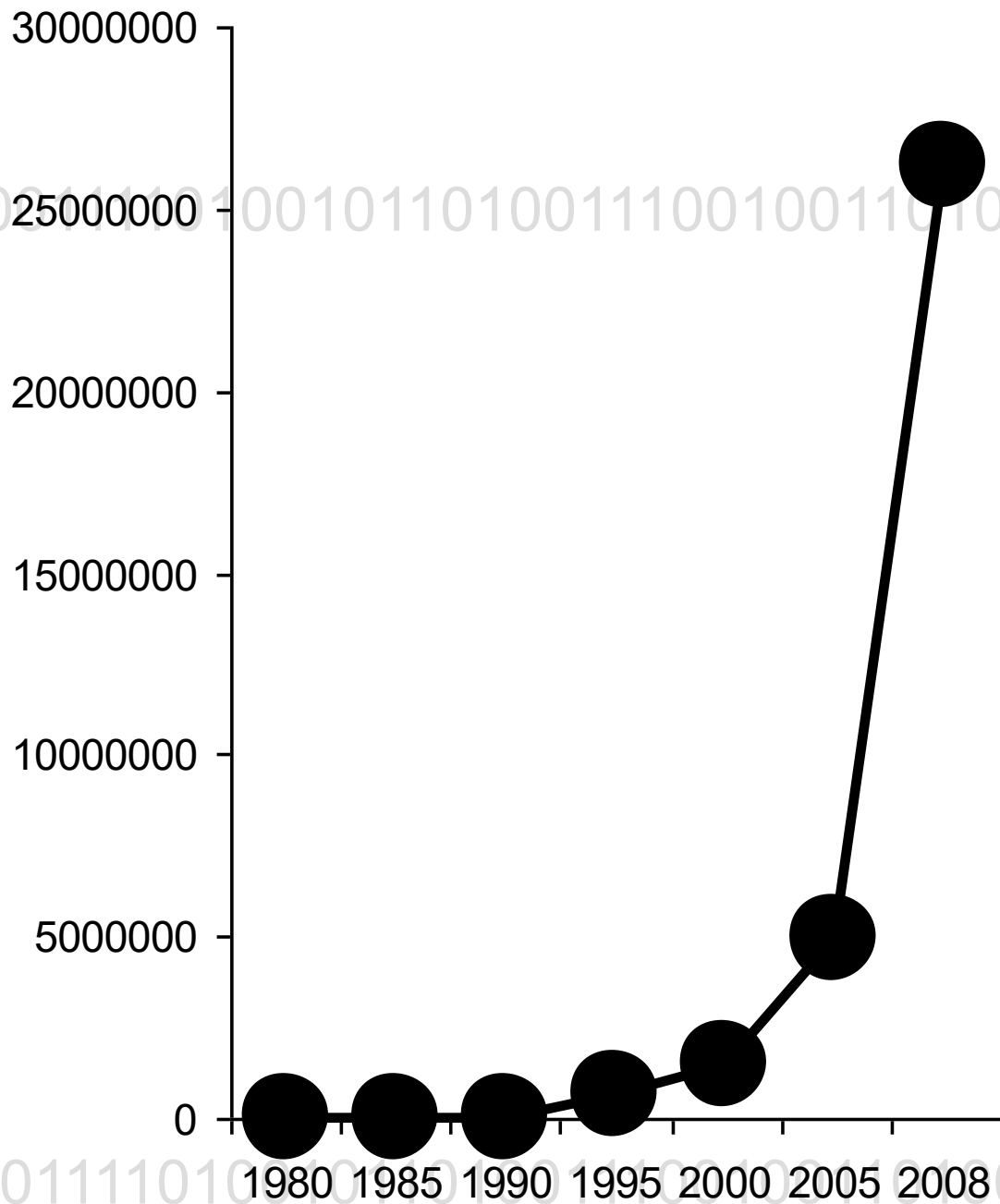
FPS, 2003



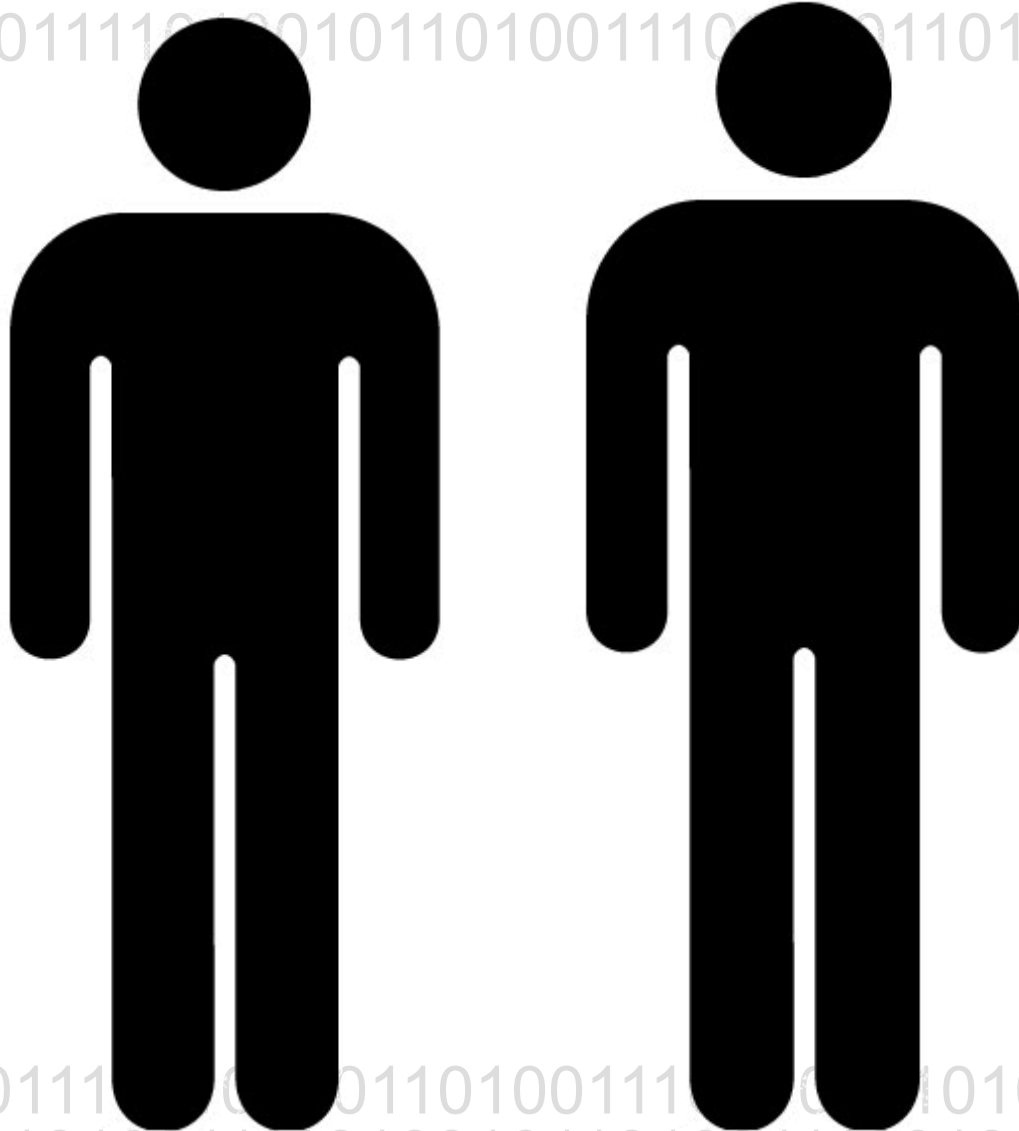
FPS, 2006

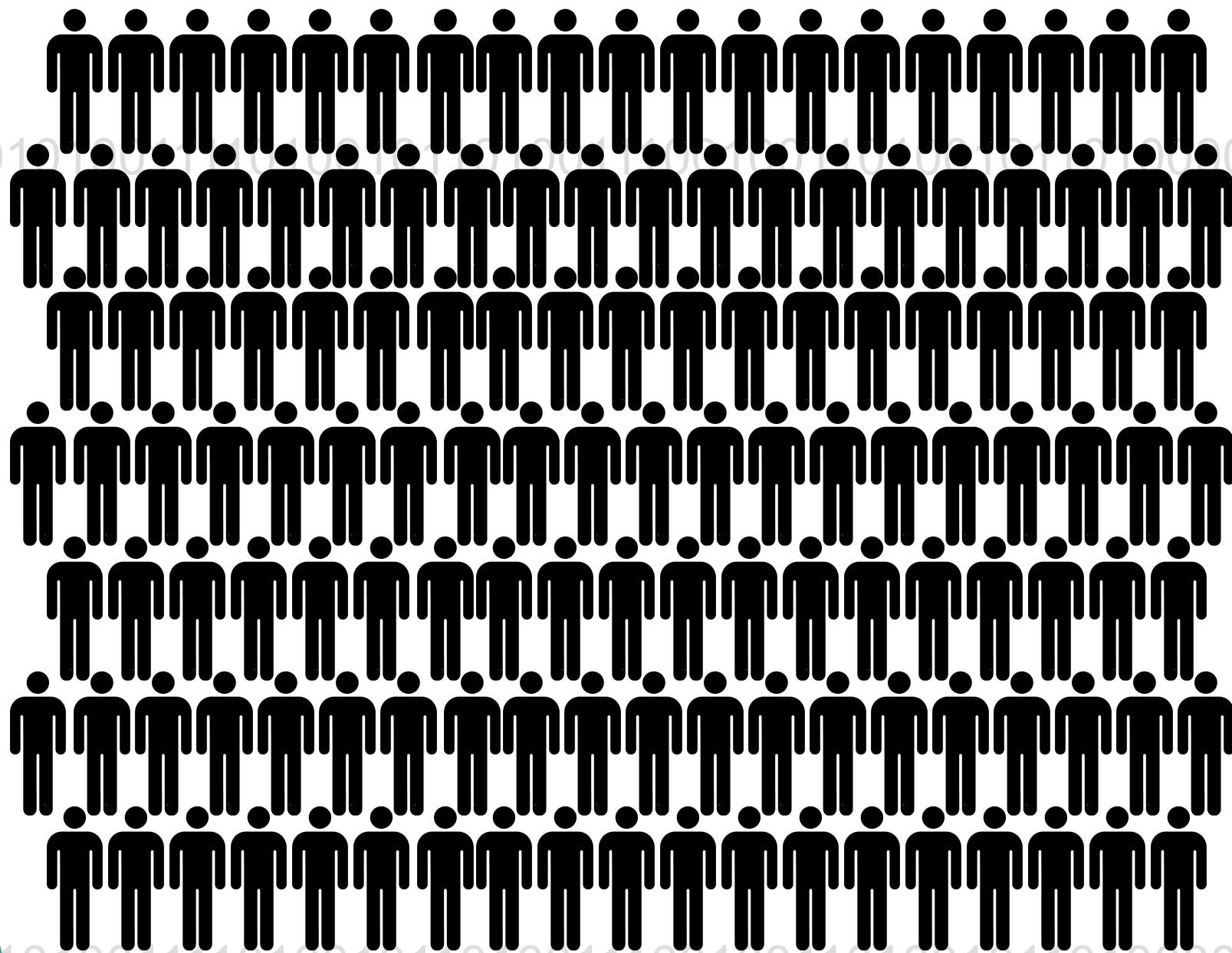


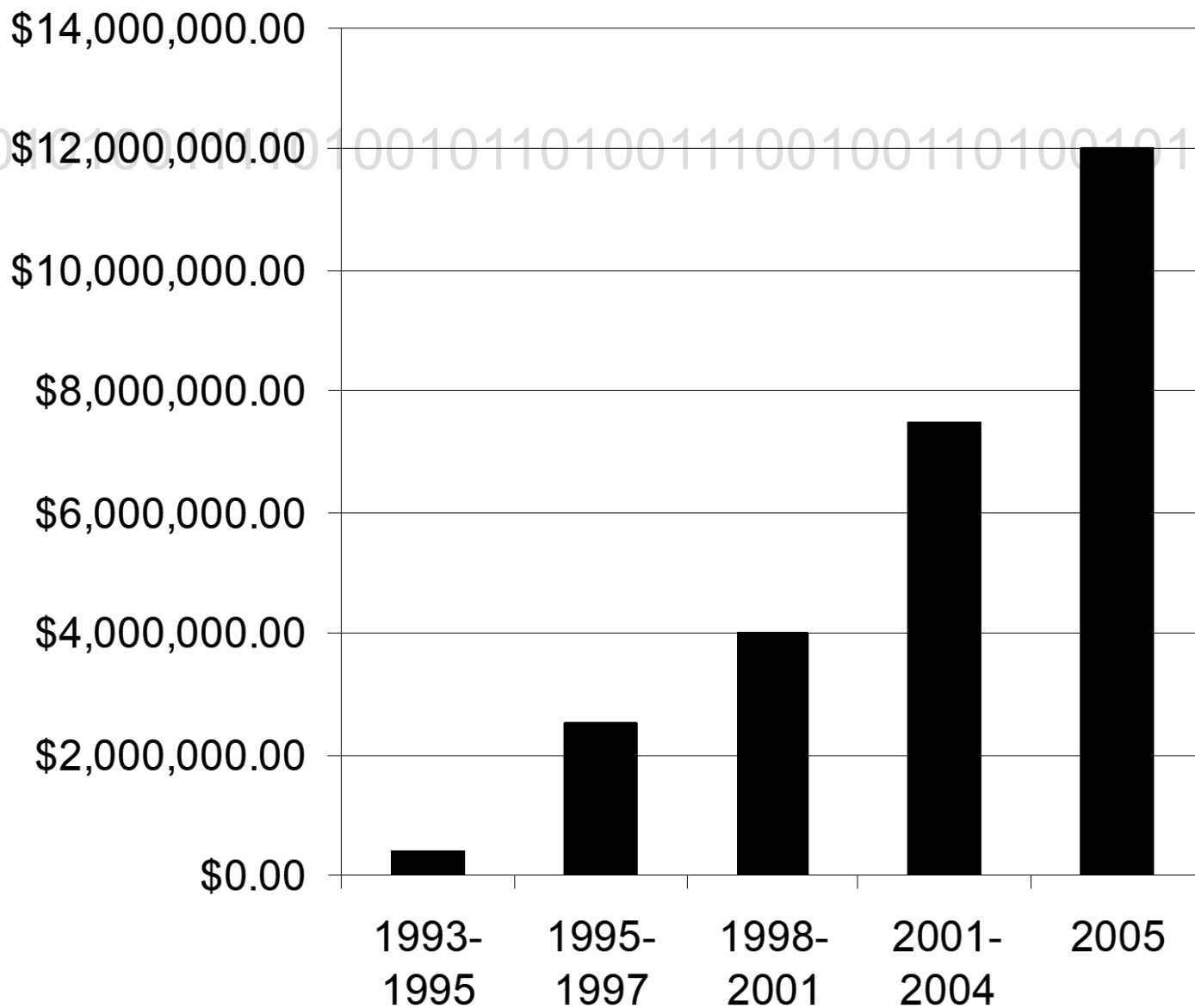




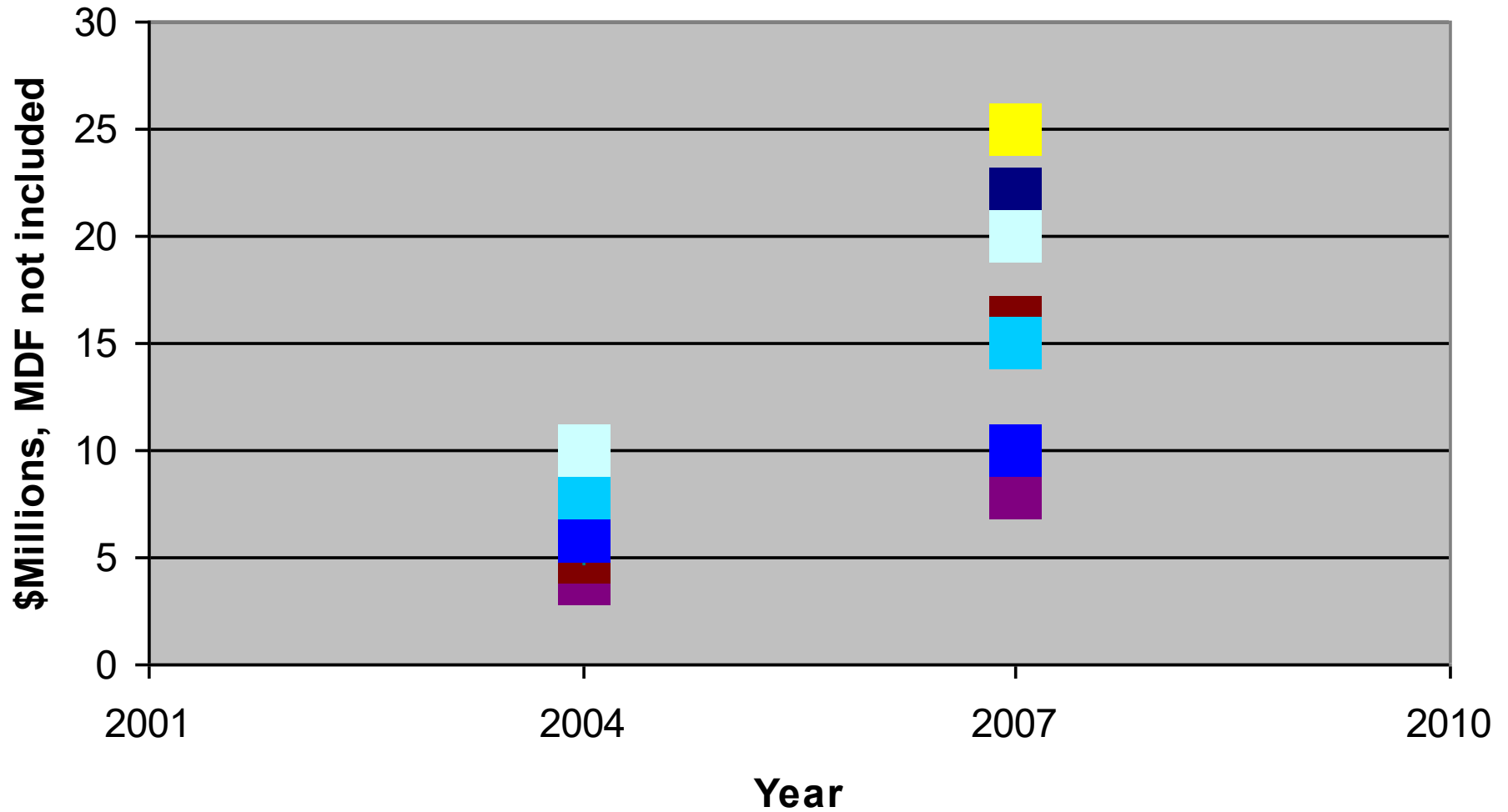
1982 game team







AAA game estimates from developers



1. Budgets have gone up by a factor of ____.*

2. We make _____ times more data.

3. And we've gotten only _____ times better at making content.

- **in just the last 12 years, and that's adjusted for inflation*



Our industry premises

- Budgets dictate audience size.
- There is little correlation between quality and day one sales.
- We create genres and then spend them to death.
- Budgets breed conservatism – even a vertical slice is larger than last gen's whole game.



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“In practical terms, the strike is about money: how much, if anything, writers get as the Internet and DVDs replace TV reruns, for which they get better residuals.

TIME



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But in a larger sense, the studios and writers are forcing a question that every other form of media is facing: *How much is content worth in the digital age?"*

TIME



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Zero.

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If there's one thing the Web
makes possible, it is enough
content to make the typical
content creator superfluous.



All games are services now

And that means:

Branding

Celebrity

Lifestyle marketing

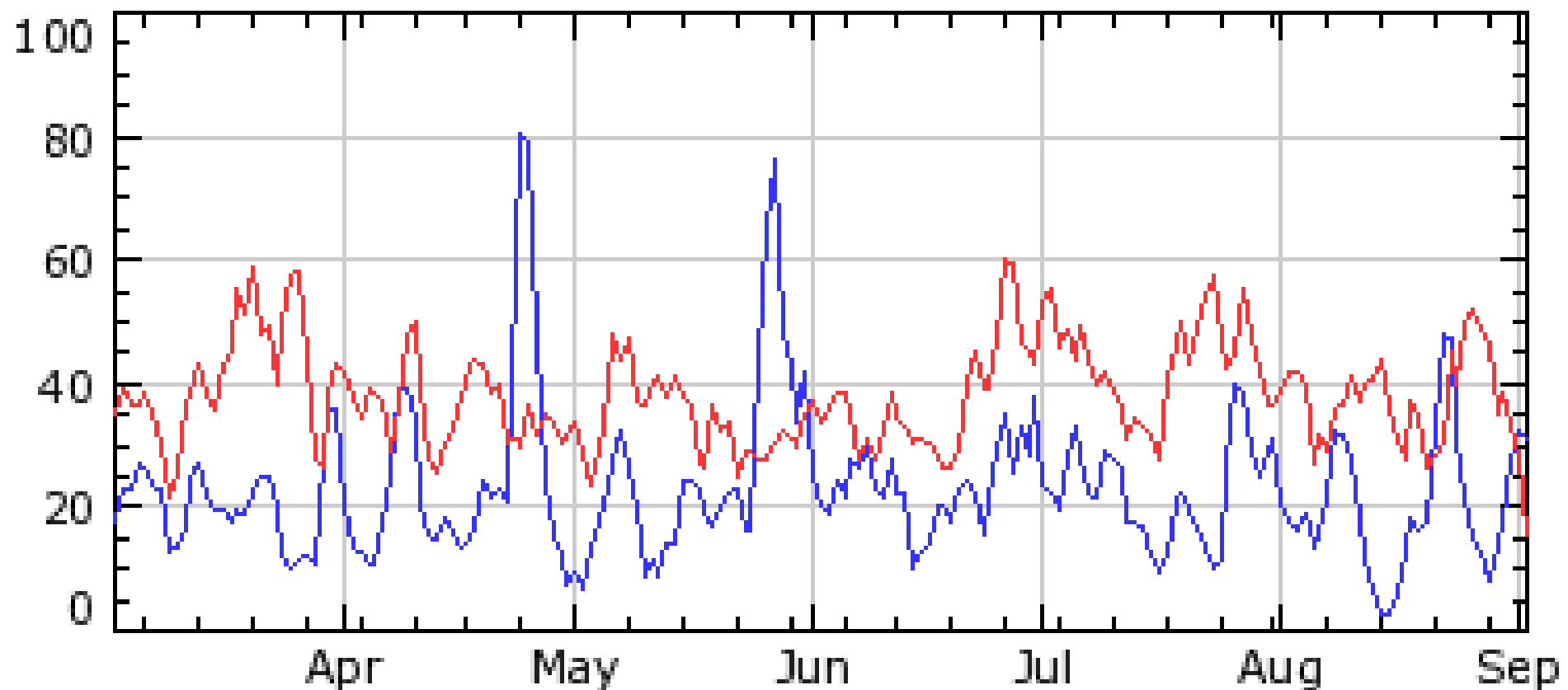
Upsell-driven revenues



Daily Reach (per million)

gametunnel.com

thq.com



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2006 Sep 2

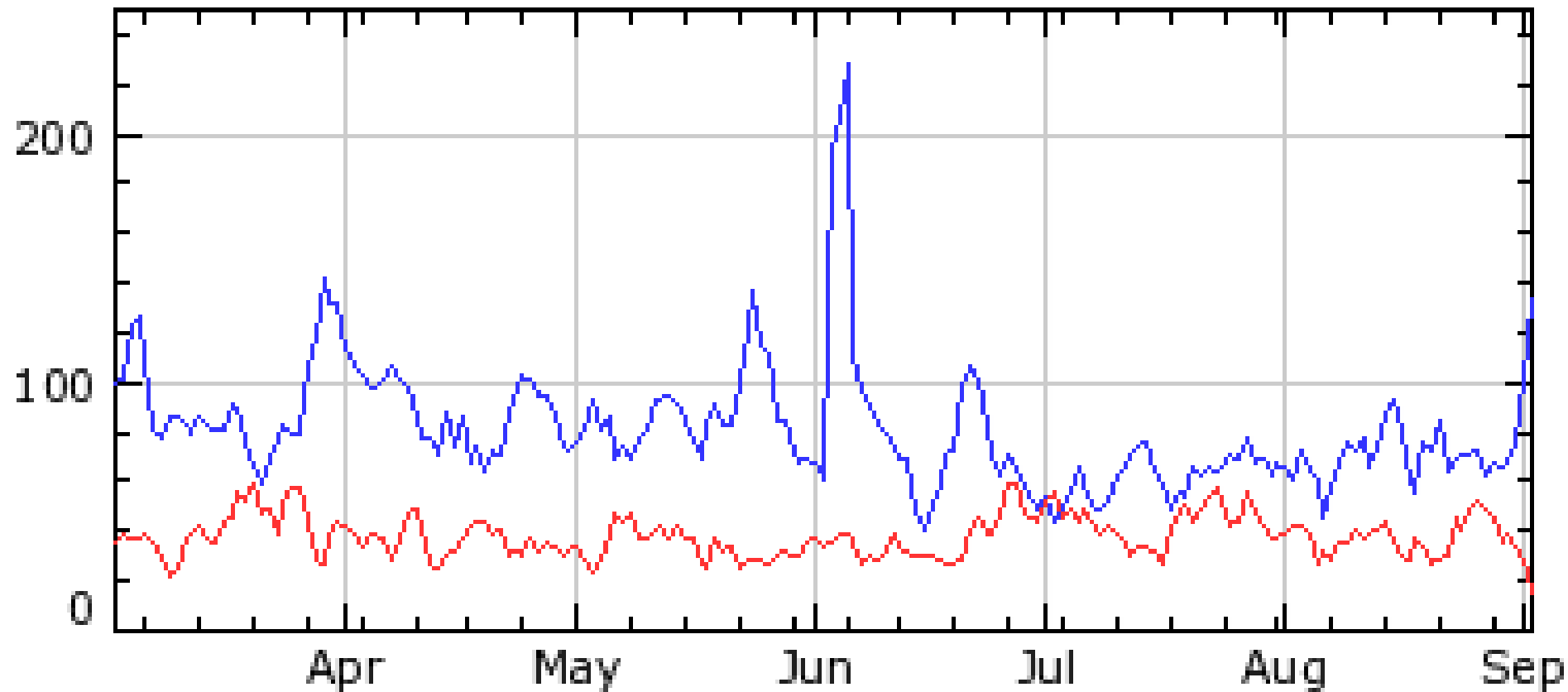


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Daily Reach (per million)

jayisgames.com

thq.com



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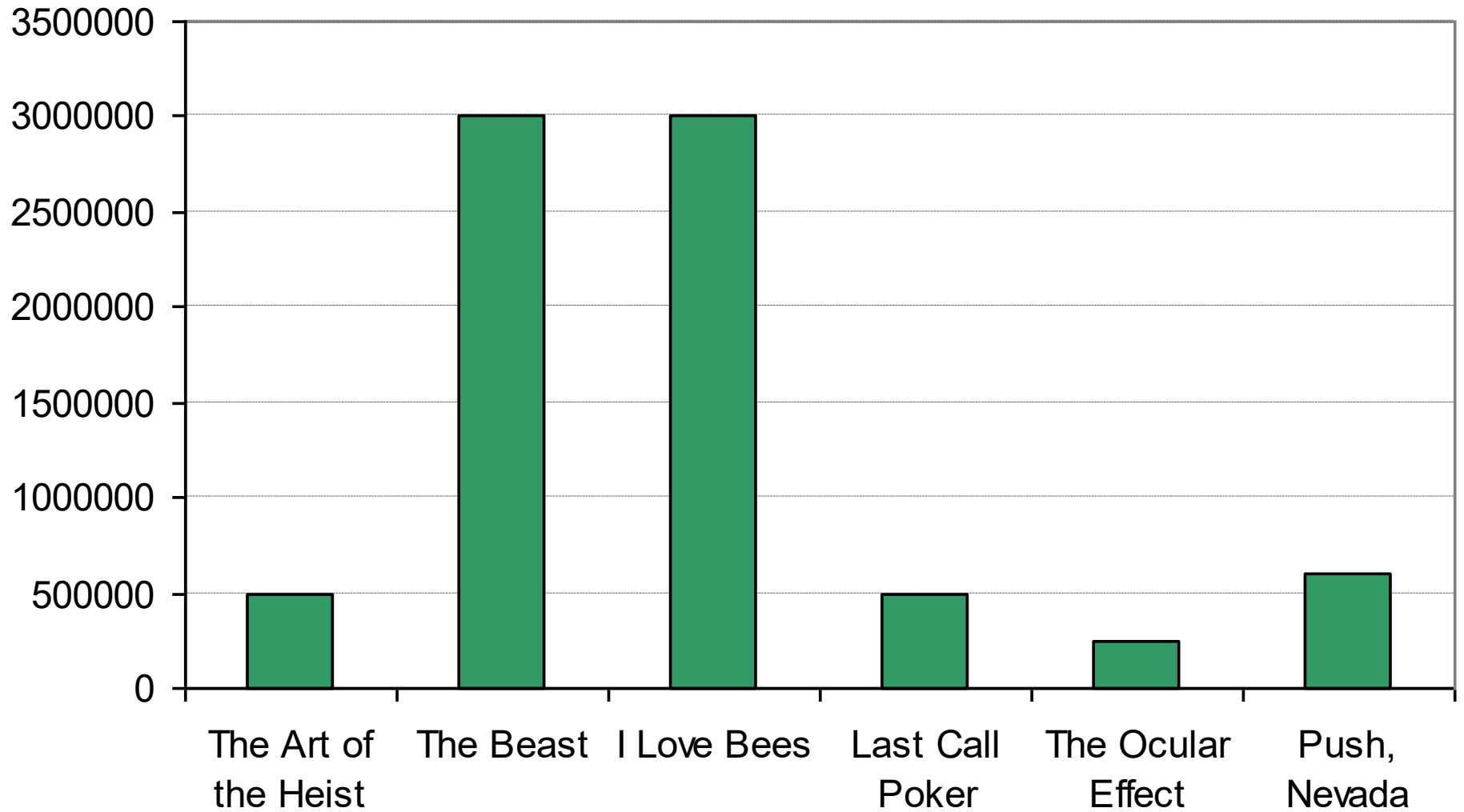
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Adventures in ARGs

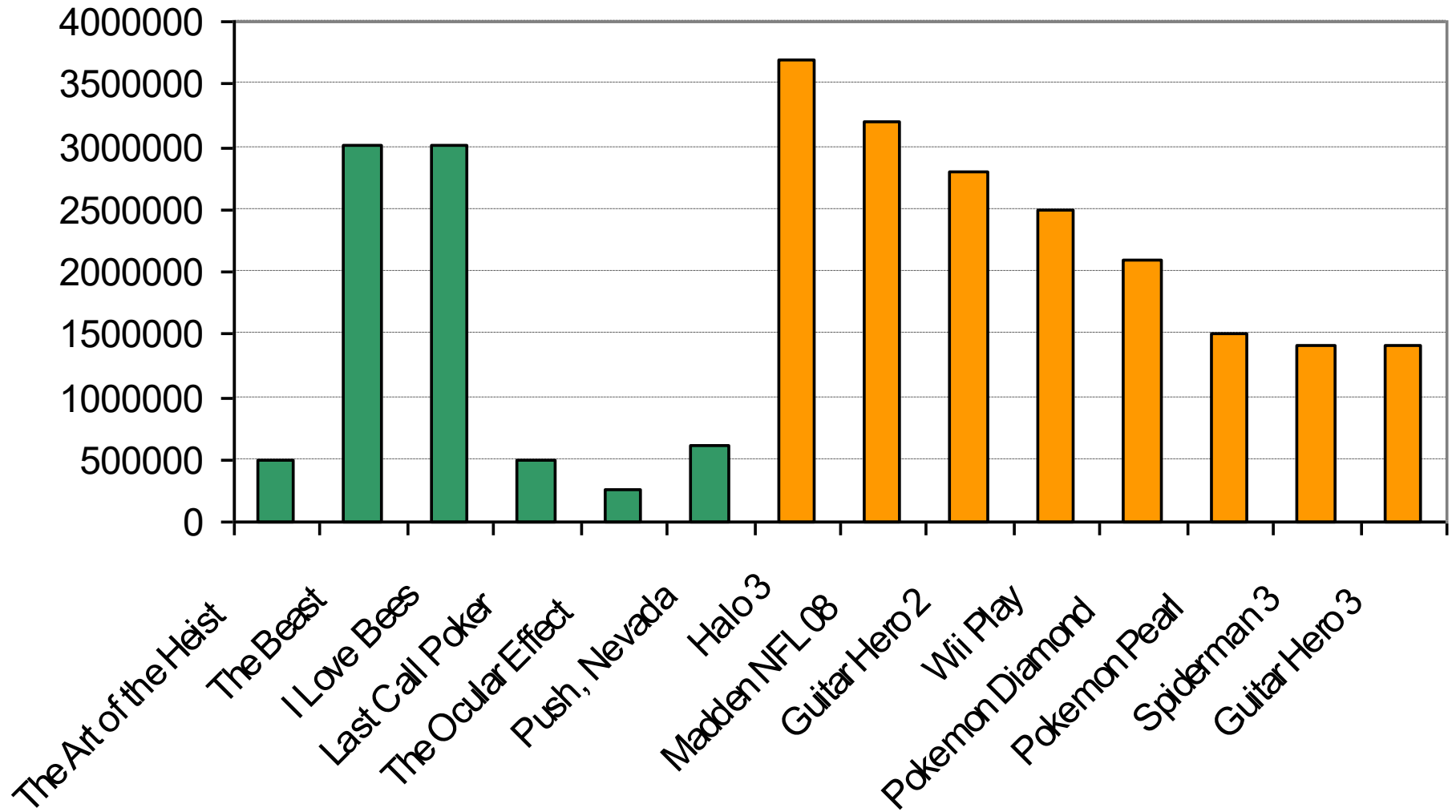
...and other mammals in the dinosaur world



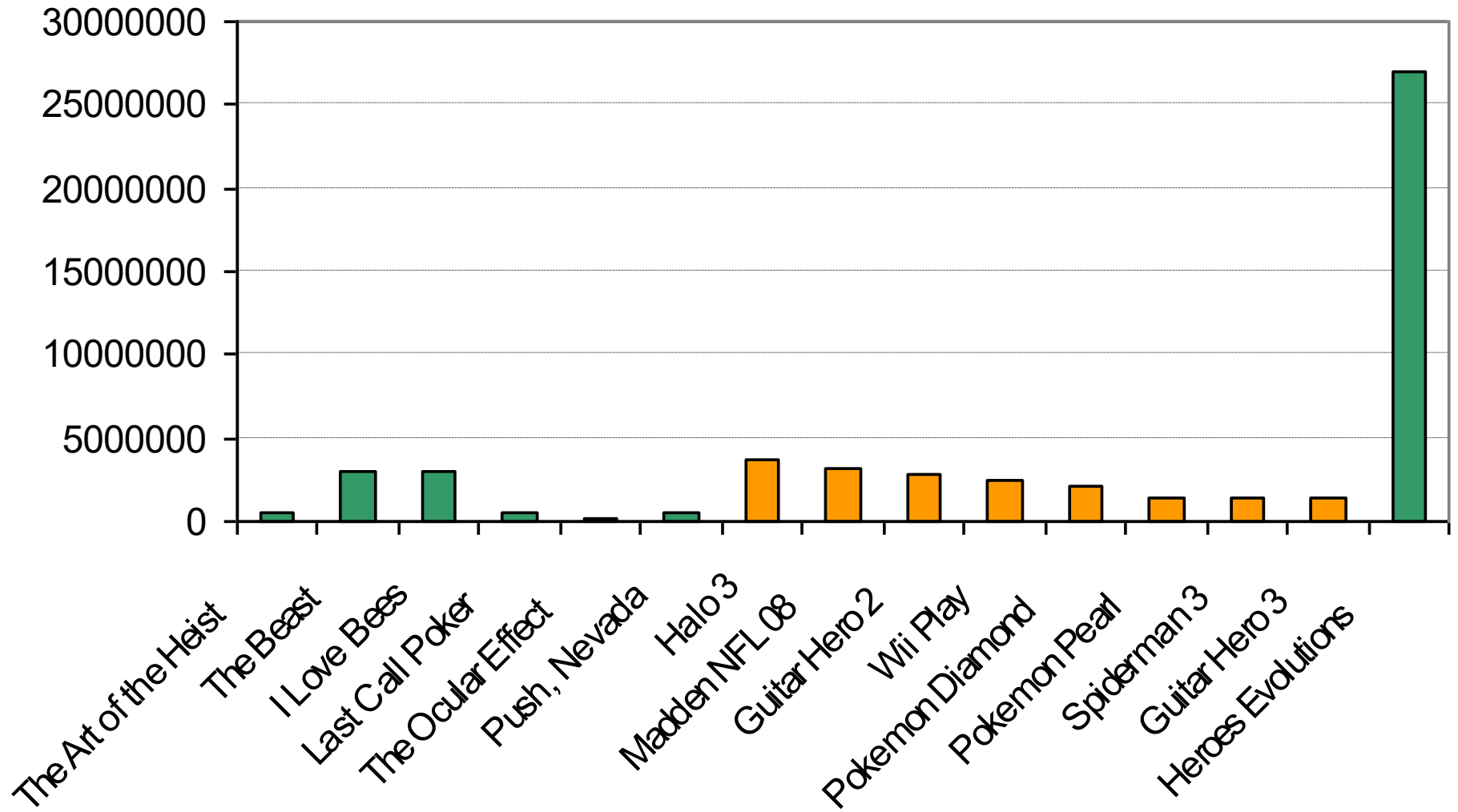
Players



Players



Players



What's your brain age?

See how larger portions of these brains are being put to work?



Back

More

C

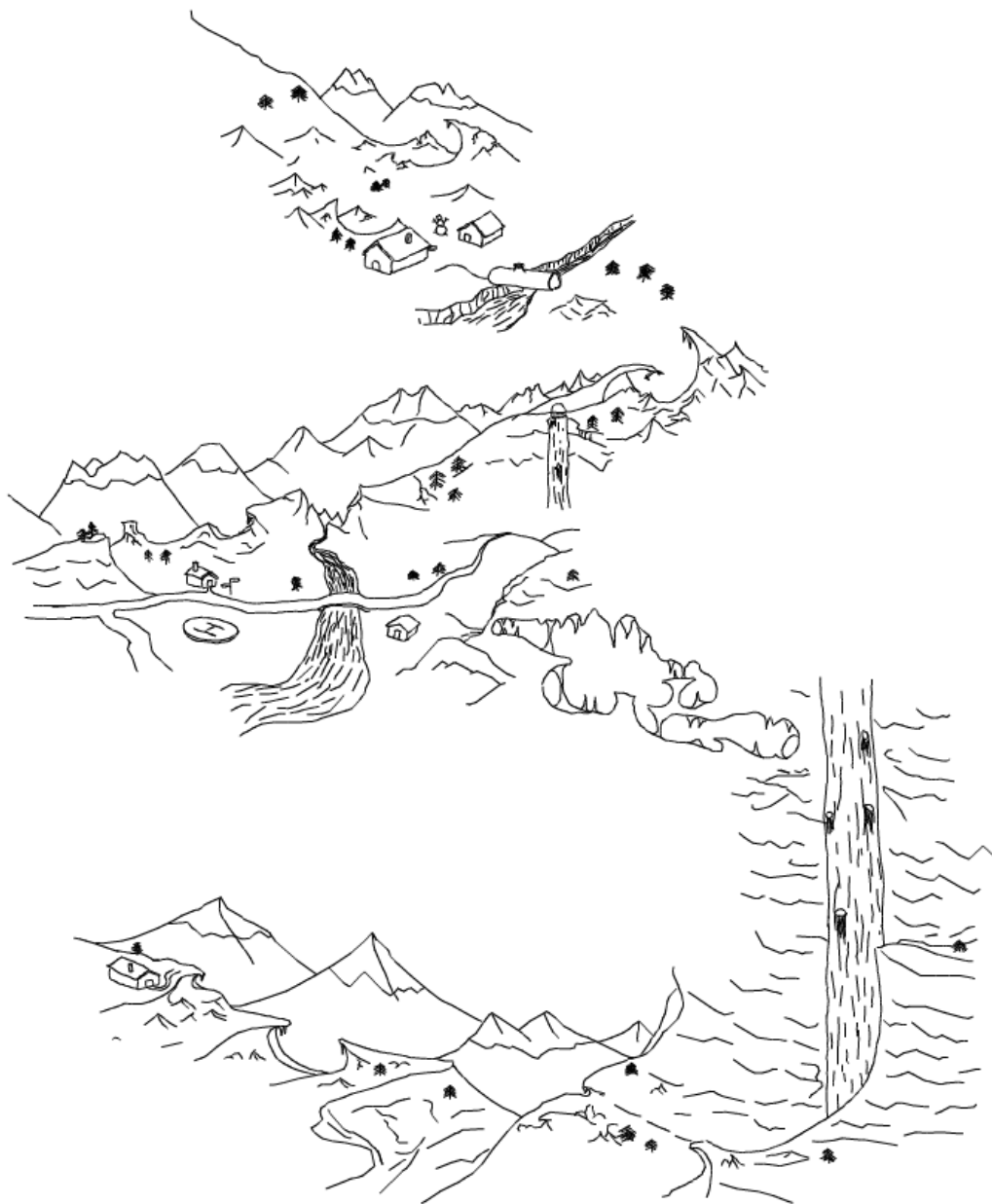


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Standings		Schedule	Playoffs				
Rank	Team	W-L-T	Pct	Pts	Streak	Waiver	Moves
*1.	The Wondervick Test	10-3-0	.769	1555.37	W-2	4	34
*2.	Groin Injuries IV	9-4-0	.692	1573.03	W-1	6	33
*3.	Chubbysworld	9-4-0	.692	1529.18	L-2	9	56
*4.	The CHUMP	8-5-0	.615	1526.80	W-1	8	21
*5.	Ry's Resurgents	7-6-0	.538	1453.44	L-1	2	15
*6.	Byronic Bengals	7-6-0	.538	1328.36	L-1	1	20
*7.	Saltine Quackers	6-7-0	.462	1554.41	W-2	10	52
*8.	Ceekay Airlines	6-7-0	.462	1462.08	L-1	12	17
9.	Wu Tang Rebels	6-7-0	.462	1381.31	W-1	11	49
10.	Addicted to Coffee	5-8-0	.385	1396.73	L-1	5	22
11.	Seoul Suns	3-10-0	.231	1351.45	L-3	7	28
12.	Shareena Attilas	2-11-0	.154	1273.00	W-1	3	55
✨ = Recent Smack Talk 😊 = on Yahoo! Messenger * = clinched playoff spot							

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Srvvertime: 6:03:13



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Borem`s village



ALPHA

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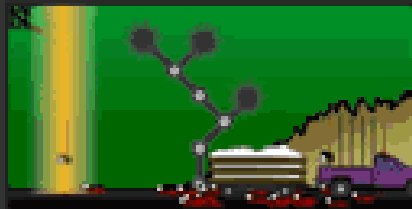
PLAY

UPLOAD

MY PROFILE

COMMUNITY

Featured Games



Parachute Retrospect

by jimb02

Drop some stick guys from a helicopter into the truck trailers below, while avoiding new obstacles every 5 saves!

232 gameplays

Welcome to Kongregate!

The best place to play and upload games. [Sign up now!](#)

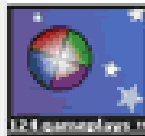
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Hot New Games



Ball Revamped 4

by jimb02

★★★★★

Tease your ball towards the goal, while picking up power ups to get through obstacles.



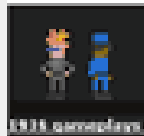
Warp Forest

by drcade

★★★★★

Driving, shooting and puzzle-solving all in one.

Popular Games



Gamma Bros

by pixelmangames

★★★★★

A large neo-retro space shooter akin to classic arcade games like galega, gradius and robotron, but with a modern twist.



The Fancy Pants Adventures

by GithersGF

★★★★★

Popular Tags

3d action addictive adventure
arcade awesome bonus cartoon
cheating classic classroom commandos
contest contest winner customize
edmund float golf gun hard luksy
mario mouse multiplayer nkeyboard
pants physics puzzle race racing
retro scroller scrolling shooter

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F

I SUWWENDER!



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Interfaces have been a huge barrier for users

- 1972: Pong. One “analog.”
- 1979: Atari. 3 binary.
- 1985: Mac. 2 “analog” and one binary.
- 1985: NES. 6 binary.
- 1994: PS1. 14 binary, 4 analog.
- 1997: Dual shock: 12 analog, 8 binary



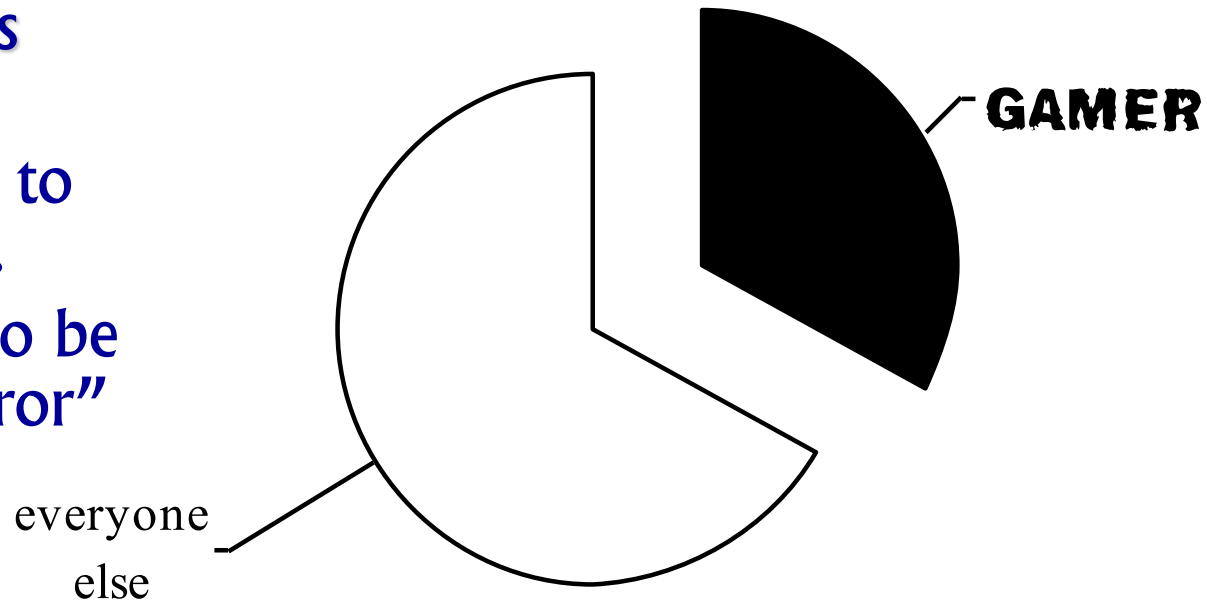
- Asynchronicity
- Indifference to rendering
- Minimal controls
- Platform agnostic

Model first	<i>The system is the game</i>
Universal inputs	<i>Any button will do</i>
Long phases	<i>Take your time</i>
Short decisions	<i>Be done fast</i>
Massively parallel	<i>Side by side</i>
Extended accumulated state	<i>Save your profile</i>
No roles	<i>Classless</i>
Representation agnostic	<i>Draw it however</i>
Open data	<i>Change it however</i>



Myers-Briggs

- The core gamer market is mostly INTJ, ISTJ, INTP and ISTP in the Myers-Briggs typology.
- Programmers tend to be of the first two.
- Core games tend to be “hardcore conqueror” type games.



**Those types represent only 19% of
women.**



Joystiq interviews Jade Raymond of Assassin's Creed

by [Ludwig Kietzmann](#) Oct 2nd 2007 2:55PM

[36 Comments](#)

Filed under: [PC](#), [Sony PlayStation 3](#), [Microsoft Xbox 360](#), [Action](#), [Adventure](#), [Interviews](#), [TGS](#)

Oh, *Jade*. You surely are Ubisoft's finest asset, with your playful and inquisitive eyes inviting us to relive the many adventures we had after our first and far too brief meeting. If only we could be reunited and take some more



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« || next »

ASSASSIN'S CREED

Jade Smells Pretty At London Games Fest



HI BOYS! I'M JADE, PRODUCER
AND CRATE... UH...CRATE.. ERM..
CRAY-ATE.. TIV.. INFLUENCE BEHIND
ASSASSIN'S CREED!

PLEASE BUY
MY GAME!



Jade Raymond has big ol' breasts. Oh, and something about Assassin's Creed

by **Jim Sterling** on 10.25.2007



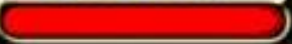
88 comments



The MMO mistake





Sherwood


Character Stats 



Health	91 / 91
Armor	13
Damage	2-21
XP Level	2
Experience	400
Next Level	450

Color 



Google's fastest growing keywords

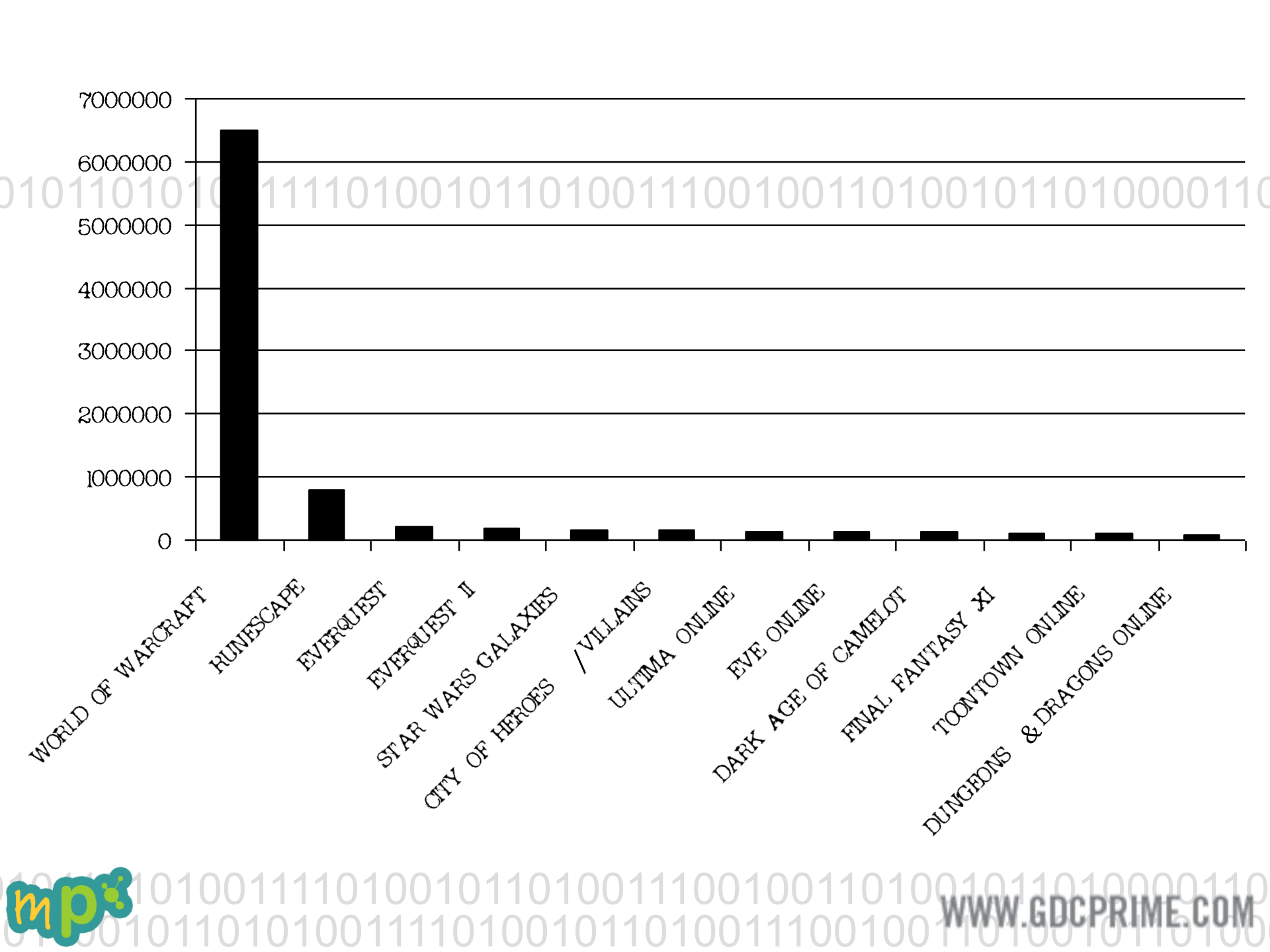
1. iphone
2. webkinz
3. tmz
4. transformers
5. youtube
6. club penguin
7. myspace
8. heroes
9. facebook
10. anna nicole smith



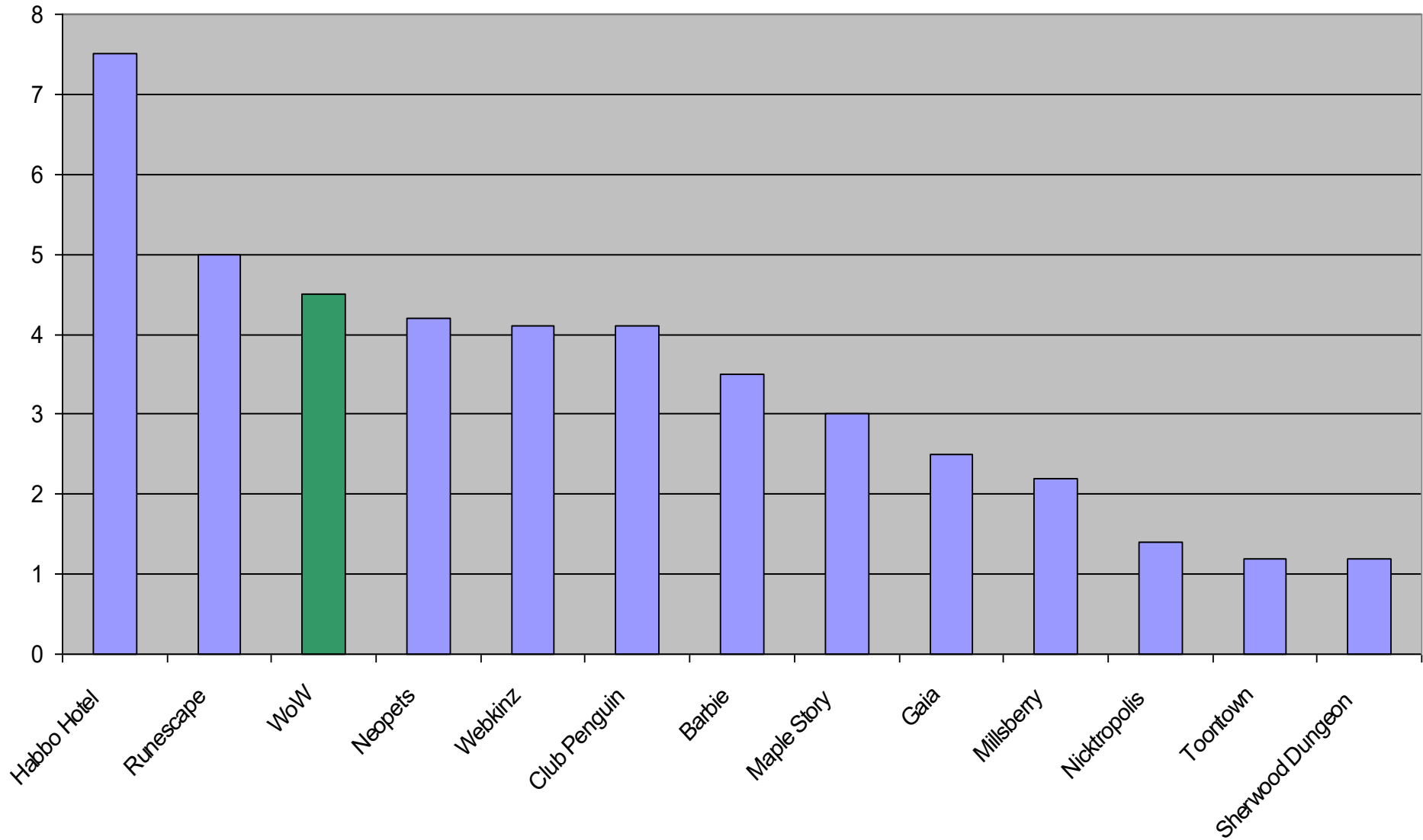
Yahoo's top searches

1. Britney Spears
2. WWE
3. Paris Hilton
4. Naruto
5. Beyonce
6. Lindsay Lohan
7. Runescape
8. Fantasy Football
9. Fergie
10. Jessica Alba





Estimated active users per month, EU and NA territories





Nexon stats for Maple Story

- \$1.6m in sales in March, growth of 60% to July
- Est 1st year at \$40m
- 3 million users in NA in a few months



Movie theater in Faketown





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TECHNOLOGY

Posted: Sun., Dec. 2, 2007, 8:00pm PT



DISCUSS



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RSS

Sony, WB set for virtual screenings

Gaia to stream movies, TV

By BEN FRITZ

Gaia Online, a Web-based community for teens, is pacting with Sony Pictures and Warner Bros. to stream movies and TV shows inside of virtual theaters online.

Studios will provide content on both an ad-supported and pay-per-view basis.

Gaia's 2.5 million members will be able to put their avatars inside the virtual theaters where the content will be playing. They can also purchase virtual popcorn, chat with other members while watching and even throw tomatoes or shine laser pointers at the screen.

Netco started its virtual screenings earlier this year with public domain pics such as "Night of the Living Dead." Sony content will include "Spider-Man," "Ghost Rider" and TV clips it is already putting on the Web. like the offerings

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SWEENEY TODOR

THE DEMON BARBER OF FLEET STREET

MMO publishing activity

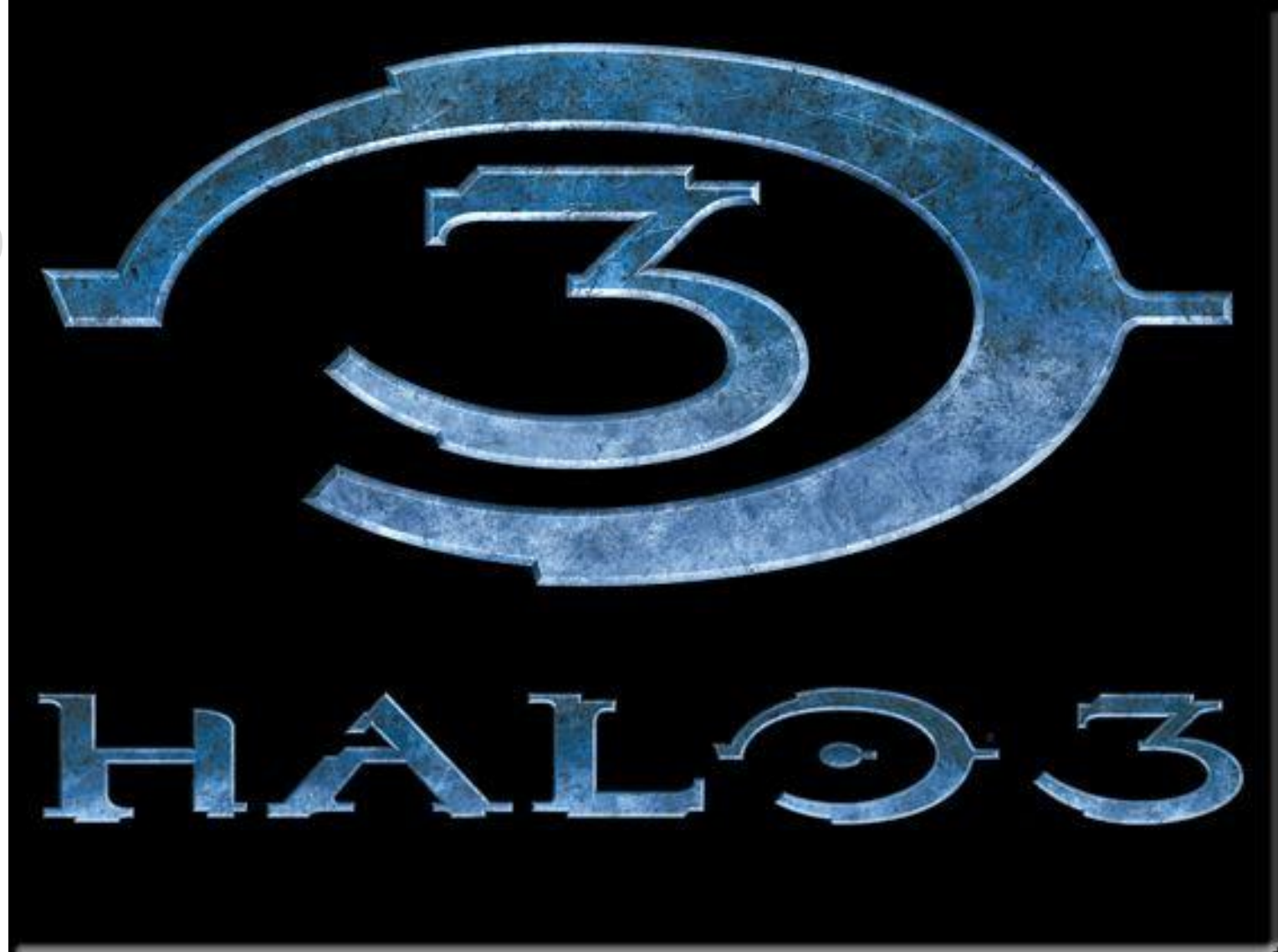
- NCSoft: 1 (plus shuttered *Auto Assault*)
- EA: 0
- Vivendi: 0
- Midway: 1
- Disney: 3
- MTV: 5



Building Checkers in WoW



Talking transmedia



#1 in Sep '07: HALO 3, moving 394,548 units

Potter Puppet Pals in "Wizard Swears"



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[Potter Puppet Pals-F.U.N. Song](#)

01:23 From: [cardfan52](#)

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Oct, 07

Raphkoster.com

239,386

The Orange Box

111,321

0 50,000 100,000 150,000 200,000 250,000 300,000



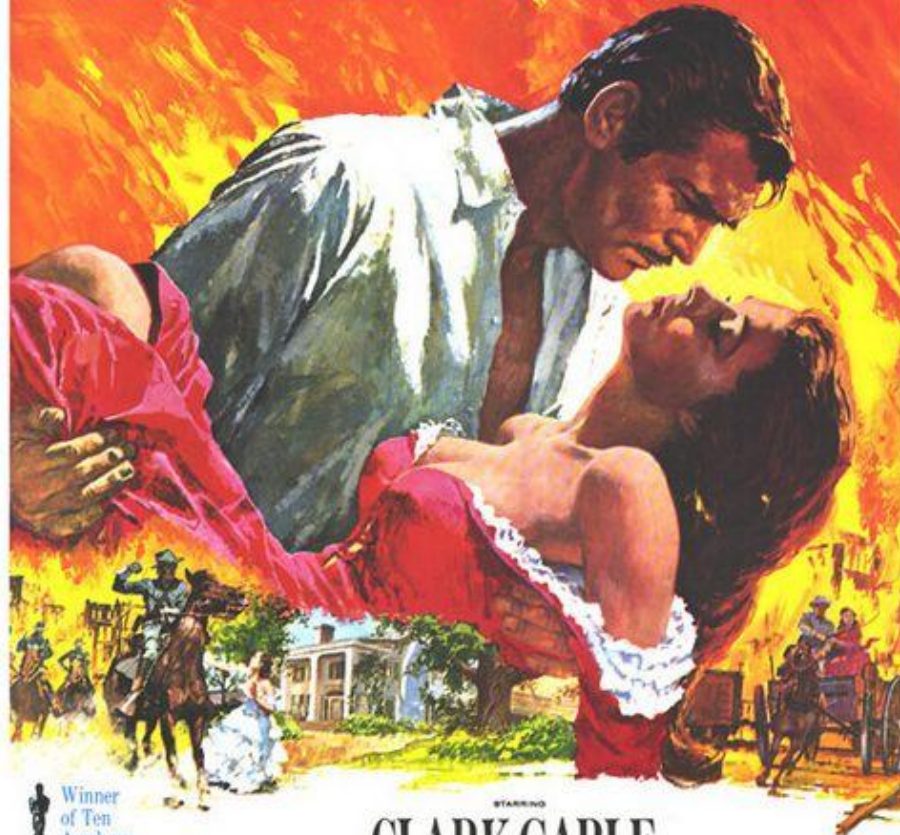
“TRANSMEDIA ENTERTAINMENT allows me to reach a massive global audience. By making creative use of multiple platforms, I can now entertain the world via broadcast, broadband, cellphones, game consoles, publishing, etc. As a content creator, I am no longer restricted to just one platform and its limited install base, but can now make use of every available platform, and use them all to reach an almost unlimited number of content consumers.”

- Jesse Alexander

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"GONE WITH THE WIND"



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A NEW YORK TIMES BESTSELLER

A provocative literary parody that explodes the mythology perpetrated by a Southern classic

THE WIND DONE GONE



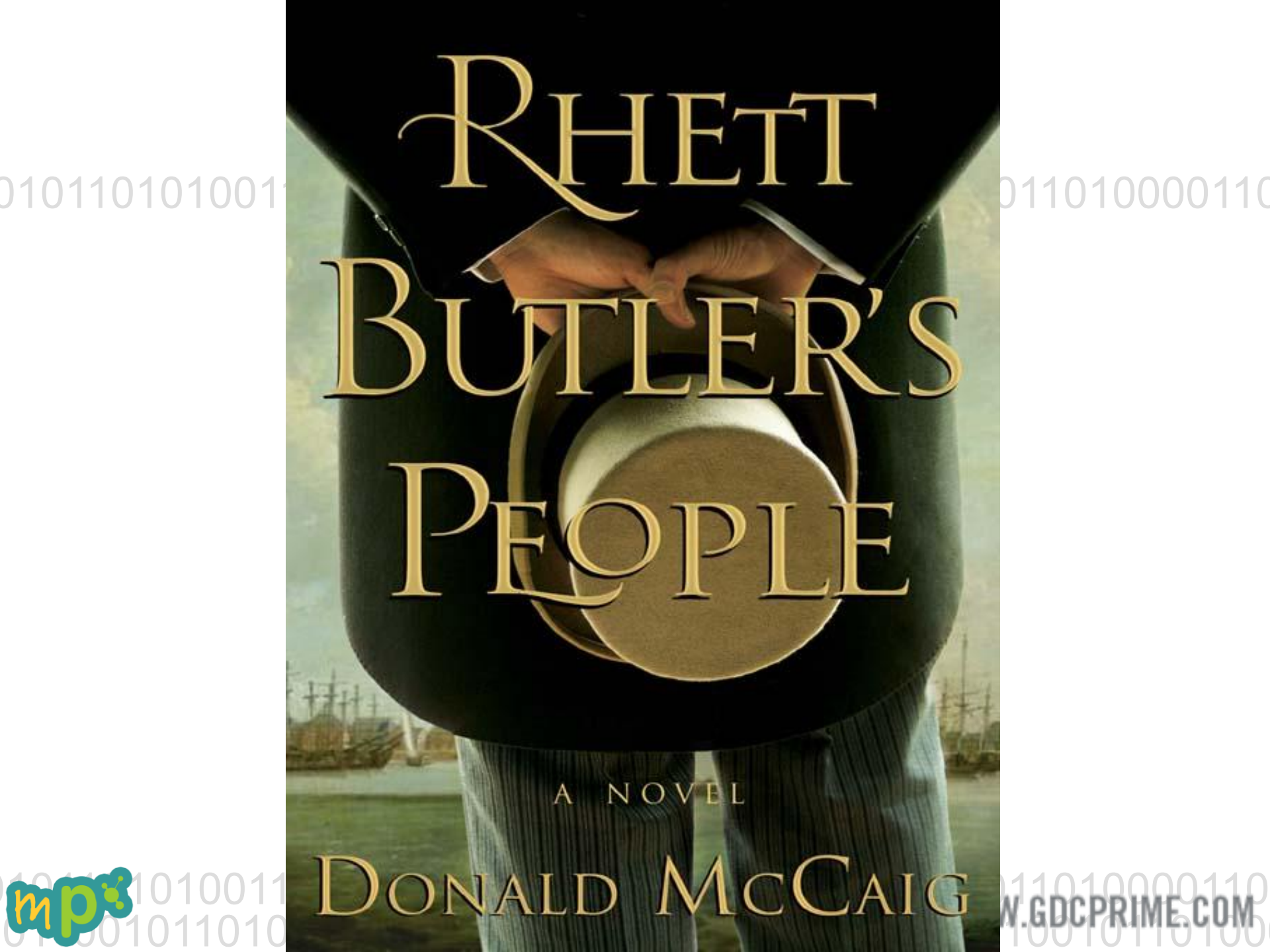
ALICE RANDALL

"Candid, intimate, sexy, subversive." — *Elle*

"The Wind Done Gone raves under its own power." — *Los Angeles Times*



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RHETT BUTLER'S PEOPLE

A NOVEL

DONALD McCAIG



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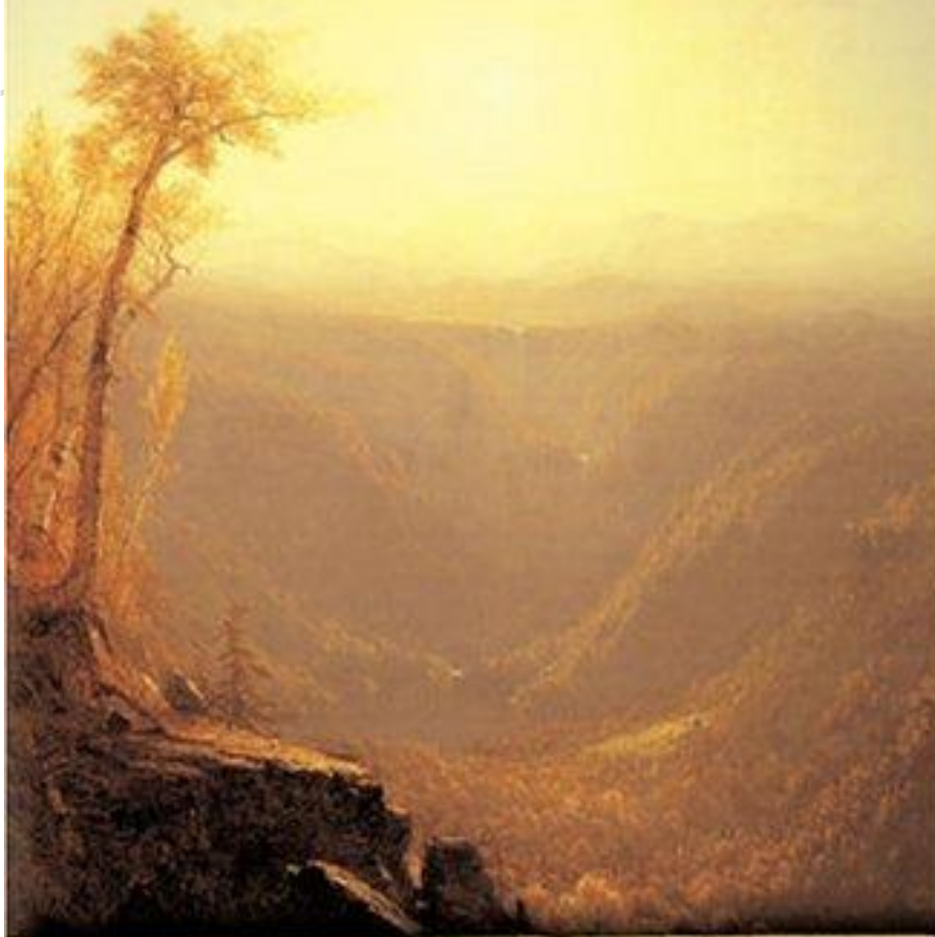
LITTLE WOMEN

LOUISA MAY ALCOTT



Geraldine Brooks

AUTHOR OF YEAR OF WONDERS



March

A NOVEL



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WICKED



The Life and Times of
the Wicked Witch of the West

"Amazing novel."
—John Updike, in *The New Yorker*

GREGORY MAGUIRE

SO MUCH HAPPENED BEFORE DOROTHY DROPPED IN.



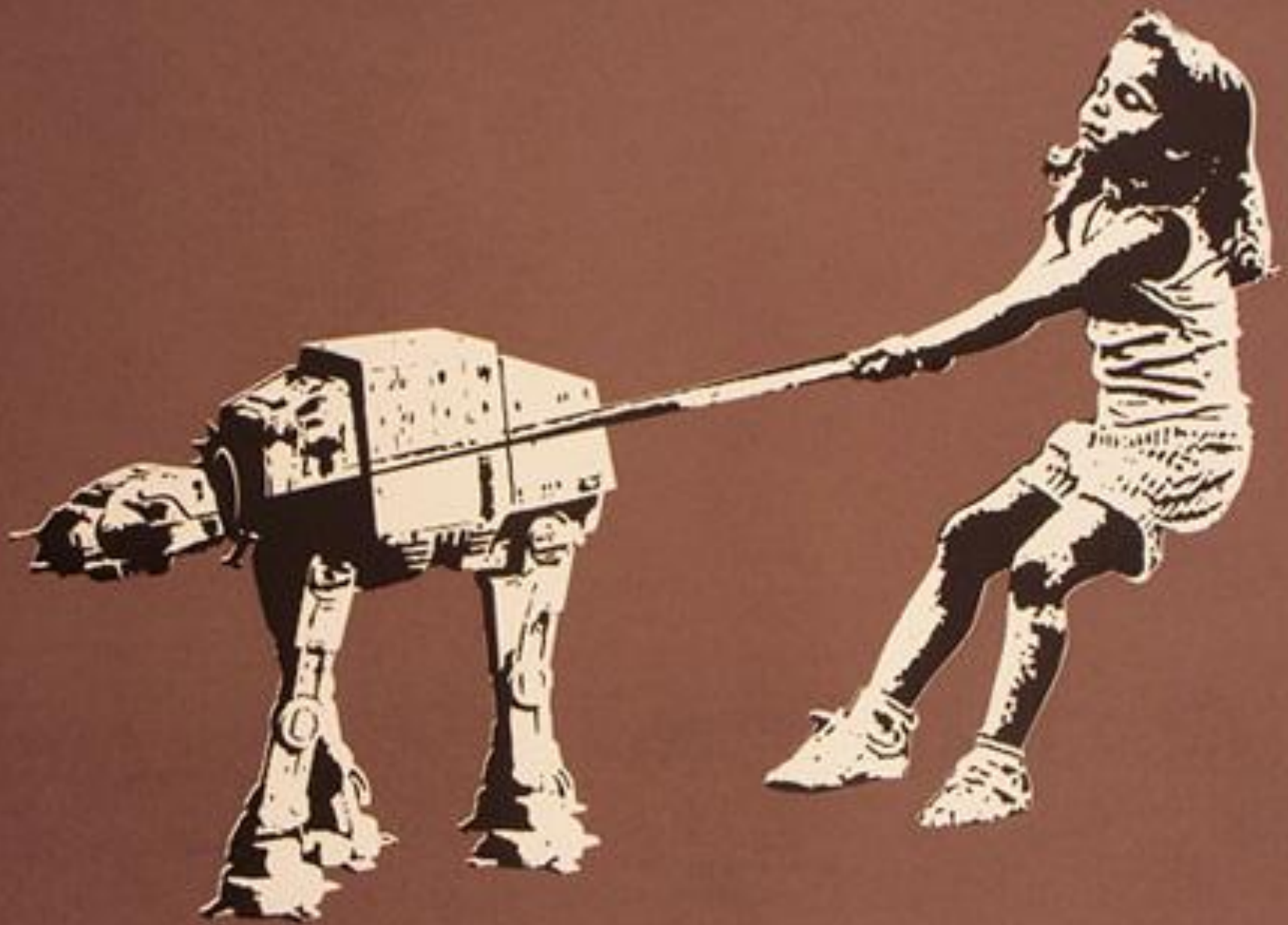
A NEW MUSICAL
WICKED
THE UNTOLD STORY OF THE WITCHES OF OZ



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STAR
WARS





STAR ROBOT CHICKEN WARS







absolute-playstation



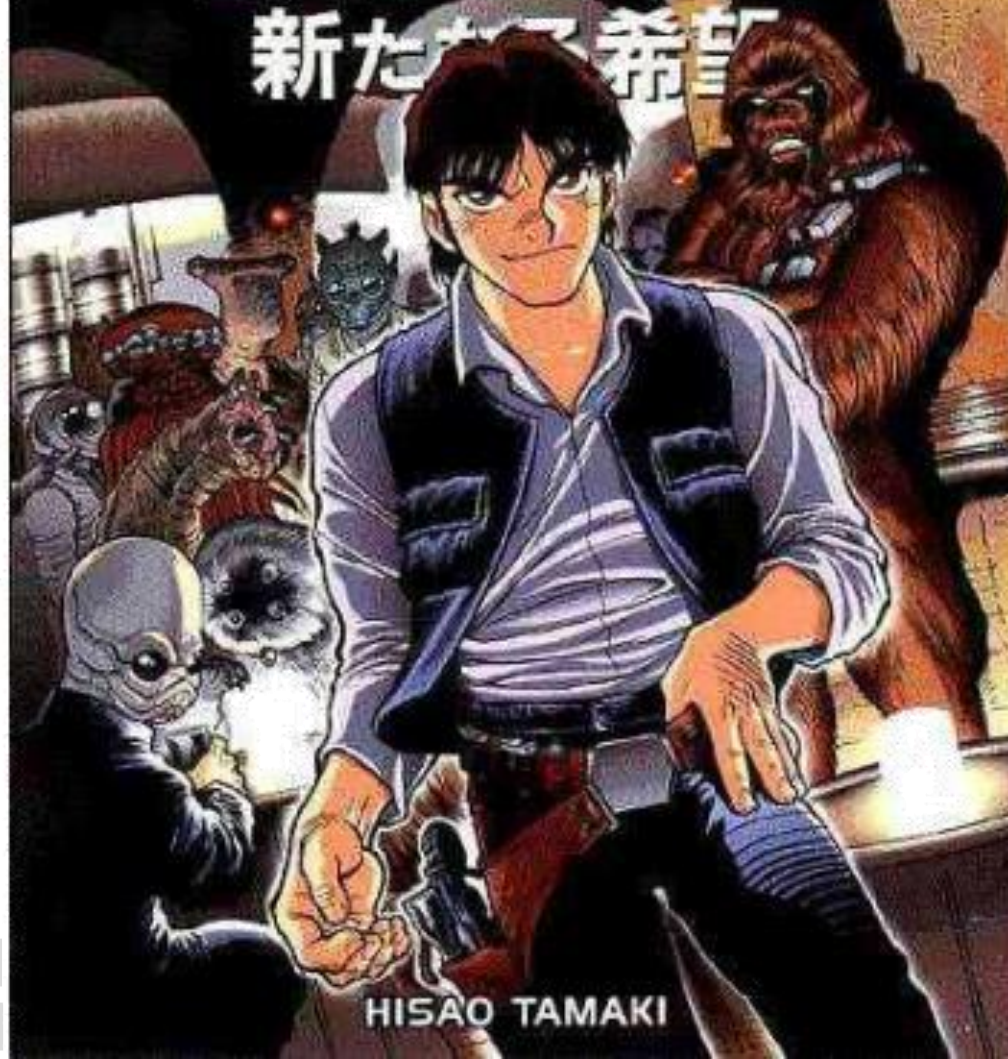
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2

STAR WARS

MANGA

新たなる希望



HISAO TAMAKI



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Transmedia

- ...is not characters alone
 - ...is not milieu alone
 - ...can be rendered in many ways
 - ...allows and encourages remix
 - ...is open to many sorts of narratives
- ... is really not like how we make games at all!*



The Web

Or, some minor pimpage

The Web Is

- Based on users doing stuff, not pros
- Premised on really rapid development
- Small pieces loosely joined
- Long tails and lots of tagging
- Aggregation and remix, not exclusivity
- Infinite shelf and diversity, not lock-in
- Platform agnostic



The Web Is

1. The replacement for consoles.
2. The new default medium for entertainment.
3. A radically different platform than any we are used to.
4. Eating every content industry's lunch.



The game has changed

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The hot platform is the net

The hot audience is the non-gamer

The hot feature is other players

The hot technology is connectivity

The hot game is a mini-game



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- A markup language that describes games
- Anyone can write a client
- Client can be on any device – ours is Flash
- A generic server that handles Tetris or WoW
- Standard language for content development
- Stylesheets are world-in-a-box
- Modules are snap-together systems
- Aggregator/index site for every world



0101101010

010000110





metaplace

about

my meta

play

build

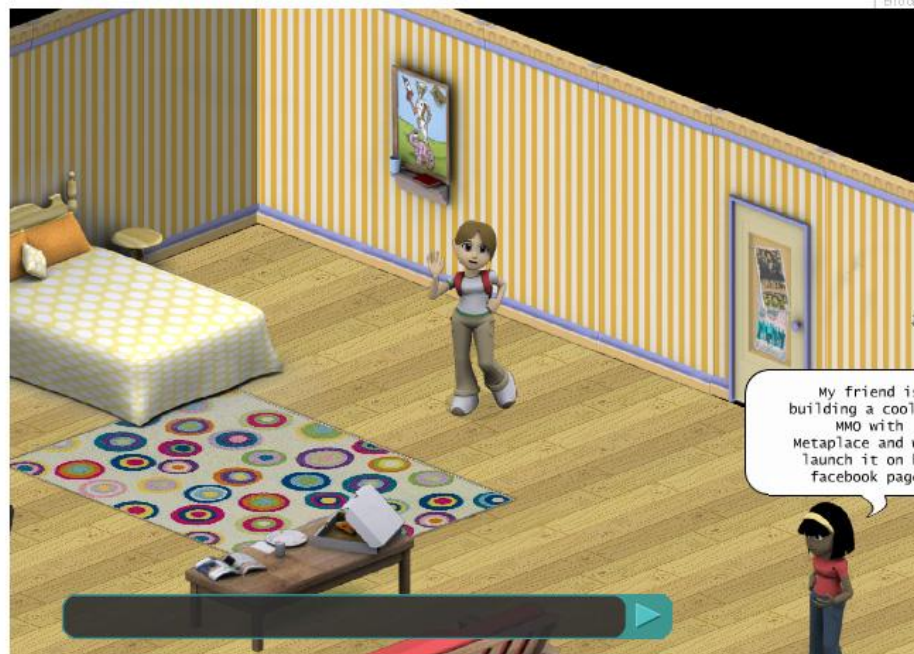
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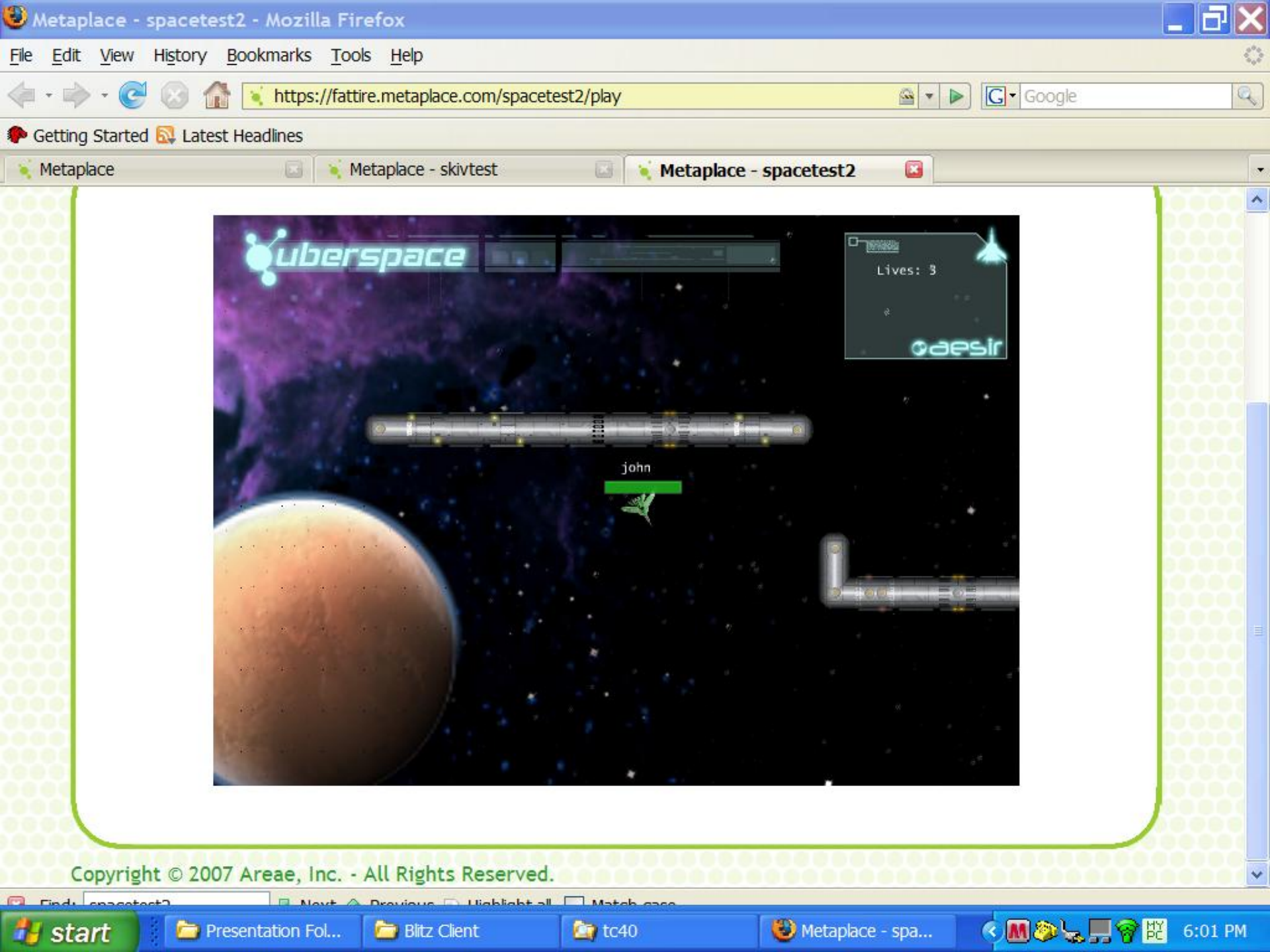
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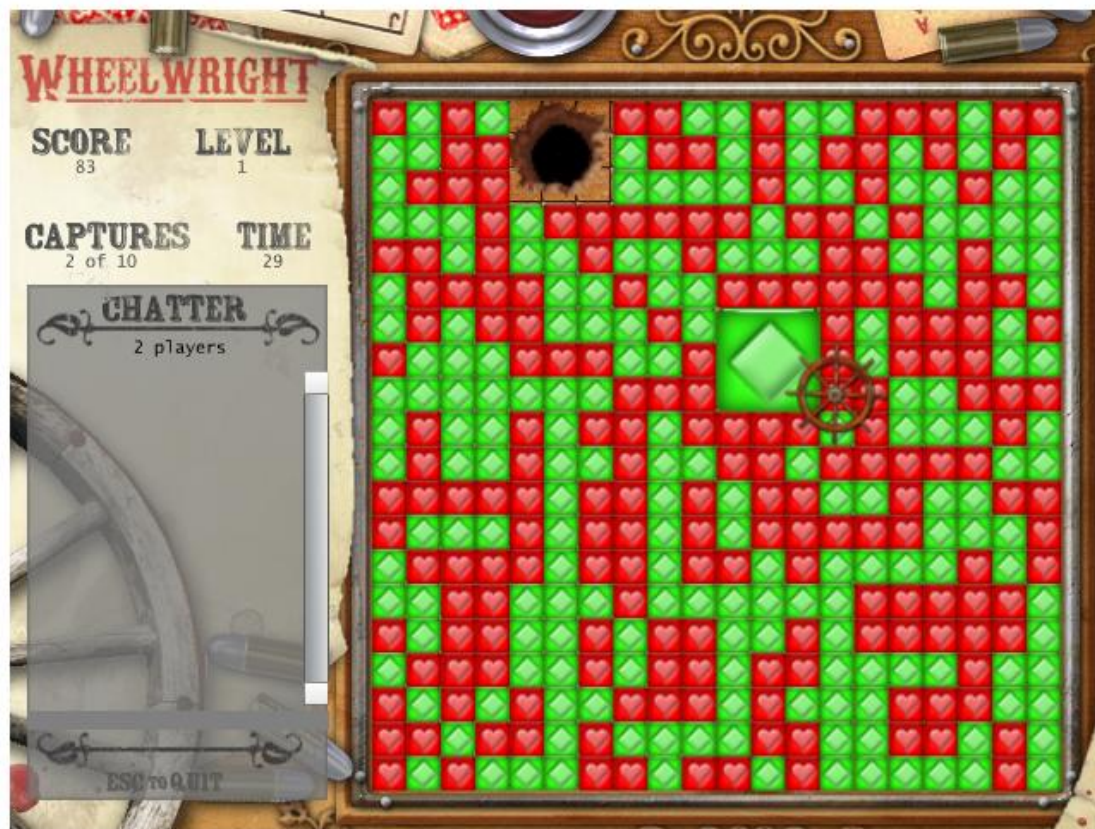


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